

STATE OF HAWAII
STATE PROCUREMENT OFFICE
HONOLULU, HAWAII

June 26, 1997

REQUEST FOR PROPOSALS

NO. RFP-97-165-O

SEALED PROPOSALS AND PRICING

FOR

FURNISHING, DELIVERING, INSTALLING & MAINTAINING
AN INTERACTIVE VOICE RESPONSE SYSTEM FOR THE
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
UNEMPLOYMENT INSURANCE DIVISION

will be received up to and opened at 2:00 p.m.
on
July 29, 1997

in the State Procurement Office, Kalanimoku Building, 1151 Punchbowl Street, Room
416, Honolulu, Hawaii 96813.

Questions relating to this solicitation may be directed to Mr. Grant Turner, telephone
(808) 586-0565, facsimile (808) 586-0570.

ROBERT J. GOVERNS, CPPB
Procurement Officer

RFP-97-165-O

Name of Offeror

**INTERACTIVE VOICE RESPONSE SYSTEM
FOR THE DEPARTMENT OF LABOR & INDUSTRIAL RELATIONS
RFP-97-165-O**

Procurement Officer
State Procurement Office
State of Hawaii
Honolulu, Hawaii 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions dated September 1, 1995 by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof.

The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Date: _____

Respectfully submitted,

Telephone No.: _____

Fax No.: _____

Exact Legal Name of Offeror

Payment address, if other than
street address at right:

Authorized Signature (Original)

Title

Hawaii General Excise Tax Lic.
I.D. No.: _____

Street Address

Social Sec. or Federal I.D. No.: _____

City, State, Zip Code

If offeror shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

Offeror is: ☐ Individual ☐ Partnership ☐ Corporation ☐ Joint Venture

State of incorporation: Hawaii _____ *Other _____

*If "other", is corporate seal available in Hawaii? ☐ Yes ☐ No

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SECTION ONE

INTRODUCTION AND TIMETABLE

1.01 INTRODUCTION

The State of Hawaii, Department of Labor and Industrial Relations (DLIR) desires to contract with an individual or organization to sell, furnish, deliver, install, and maintain a custom programmed, “turnkey” Interactive Voice Response System (IVR) for use as an integral part of the Unemployment Insurance (UI) Systems of the Hawaii State DLIR. “Turnkey” is defined as a fully operational and installed (centralized) system (including all the hardware, operating software and application software) that meets all of the specifications and requirements of this Request For Proposals.

It is DLIR's intent to implement a scalable IVR system that has the ability to provide information and real-time transaction processing with one or more hosts (mainframe, midrange computer, or LAN Server) and offer options for upgrading both memory, port capacity, and other resources as more applications get added in the future.

Within the scope of this RFP, the following applications will be implemented in three phases and in the order as shown below:

- | | |
|------------|--|
| Phase I. | Unemployment Insurance Benefit Continued Claims Filing and Claimant Inquiry; |
| Phase II. | Unemployment Insurance Benefit Initial Claim Filing; |
| Phase III. | Employer Account Inquiry and General UI Tax and Benefit Information Inquiry. |

All the system software and application software including any software modifications to the existing UI application systems that are necessary for the operation of the IVR system will be included in the scope of this RFP.

1.02 RFP SCHEDULE AND DELIVERY OF SYSTEM

The delivery and work schedule set out herein represents the State’s best estimate of the schedule that will be followed. If a component of this schedule, such as *Proposals Due* date, is delayed, the rest of the schedule will likely be shifted by the same number of days.

The approximate schedule is as follows:

Advertisement of Request for Proposals	June 26, 1997
Bidder’s Conference & Site Visit	July 10, 1997
Deadline for Written Inquiries	July 17, 1997

State Response to Written Questions	July 23, 1997
Proposals Due	July 29, 1997 (2 p.m.) (Address on cover of RFP)
Proposal Evaluations	Within 7 days from date of Proposals Due
Oral Presentations (if necessary)	Within 7 days from date of Proposals Due
Best and Final Offers (if necessary)	To be scheduled
Contract Award	Upon issuance of the Notice to Proceed
Contractor to complete RFP work	From official commencement date on Notice to Proceed; date specified below:
Phase I...	June 30, 1998
Phase II...	July 30, 1999
Phase III...	October 29, 1999

SECTION TWO **SPECIFICATIONS**

2.1 PROJECT OBJECTIVE

The project objective is to design, develop and implement a cost effective unemployment insurance Interactive Voice Response System which will enable claimants and employers to have timely access to unemployment insurance services and information by using touch tone telephones.

2.2 SCOPE OF SERVICES

The contractor shall perform all management and systems analysis and computer programming services required to design, develop and install the State of Hawaii Unemployment Insurance (UI) Interactive Voice Response System (IVR) and to modify existing UI application systems that are necessary for the operation of the IVR. In addition, the contractor shall also acquire, install and test all Computer Telephony Integration (CTI) hardware and software necessary for the State of Hawaii UI IVR System and shall provide for the continued maintenance of the CTI hardware and software in accordance with the provisions contained in the RFP, including all exhibits. Furthermore, the contractor shall install the UI IVR in a local area network (LAN) and wide area network (WAN) environment. The contractor shall acquire, install and test all LAN and WAN hardware and software and provide connectivity for all UI applications to the host. The contractor shall also provide for the continued maintenance of the LAN and WAN hardware in accordance with the provisions contained in the bid specifications including all exhibits. The State will be responsible for LAN/WAN administration and support.

The conceptual design and system requirements of the UI IVR system are included in *Section Three* of this RFP. A call flow depiction of the system requirements are included in **Exhibit A** of this RFP. A conceptual description of the UI LAN and WAN environment is described in **Exhibit B**.

The work to be provided is divided into three (3) major project phases:

- | | |
|------------|---|
| Phase I. | Unemployment Insurance Benefit Continued Claims Filing and Claimant Inquiry |
| Phase II. | Unemployment Insurance Benefit Initial Claim Filing |
| Phase III. | Employer Account Inquiry and General UI Tax and Benefit Information Inquiry |

The services to be provided for each of the major project phases are defined in accordance with SDM/Structured (Systems Development Methodology) and include, but are not limited to, those tasks listed below. Although specific documents of the Systems Development Methodology are not required at the time of Proposal submission, they shall be required documentation after contract commencement, and it is presumed that the Offeror has reviewed and completed each SDM task to his satisfaction during the

development of his proposal and in preparing the firm fixed price offer quoted to the State herein. The DLIR will approve each required SDM document before allowing contractor to proceed with the next task. Offeror shall submit a schedule outlining when each SDM document will be submitted to the DLIR for its approval. Each SDM task must be completed to the DLIR's satisfaction. This process shall apply to each of the three (3) project phases.

a. System Requirements Definition (SRD)

The contractor shall:

1. Develop a work plan that includes a listing and schedule of all work activities and events, timetable to complete each activity, State personnel to be involved in each activity and milestones that serve as review checkpoints to control work progress.
2. Maintain liaison with State project organization.
3. Review the conceptual design and system requirements of Hawaii's UI IVR System and the existing documentation of Hawaii's unemployment insurance tax (UIT), quarterly wage reporting (QWR), and unemployment insurance benefit (UIB) systems.
4. Identify the project scope including identifying the participating users and organizational units and functions
5. Establish and maintain an index of collected data
6. Conduct, summarize and review the interviews
7. Document and analyze the current system
8. Define the requirements for the proposed system, prepare the SRD Document.

b. System Design Alternatives (SDA)

Upon acceptance of the System Requirements Definition (SRD) document and upon authorization in writing by the Director of Labor and Industrial Relations, the contractor shall proceed with the next task to include, but not be limited to, the following:

1. Develop a work plan that includes a listing and schedule of all work activities and events, timetable to complete each activity, State personnel to be contracted and involved in each activity and milestones that serve as review checkpoints to control work progress.
2. Maintain liaison with State project organization.
3. Review the SRD for Hawaii's UI IVR System, including the requirements for modifications to Hawaii's existing unemployment insurance tax (UIT), quarterly wage reporting (QWR), and unemployment insurance benefit (UIB) systems and assess the need to update and revise requirements as necessary.
4. Identify design constraints and specify operational alternatives.
5. Evaluate candidate products and define automated system requirements
6. Determine tangible and intangible cost savings

7. Identify tradeoffs
8. Prepare SDA Document.

c. System External Design Specifications (SES)

Upon acceptance of the System Design Alternative (SDA) document and upon authorization in writing by the Director of Labor and Industrial Relations, the contractor shall proceed with the next task to include, but not be limited to, the following:

1. Develop a work plan that includes a listing and schedule of all work activities and events, timetable to complete each activity, State personnel to be contracted and involved in each activity and milestones that serve as review checkpoints to control work progress.
2. Maintain liaison with project organization.
3. Review the SRD and SDA for Hawaii's UI IVR System, including the requirements for modifications to Hawaii's existing unemployment insurance tax, (UIT) quarterly wage reporting (QWR) and benefit (UIB) systems and assess the need to update and revise requirements as necessary.
4. Define Hawaii's UI IVR System design framework - identifying design constraints, hardware and software environment and requirements, and design allowances for future contingencies.
5. Define Hawaii's UI IVR System data - identifying input, mainline files and other files, tables, and output and including a data element summary.
6. Define Hawaii's UI IVR System functions (with schematics) - identifying functional subsystems, distribution of functions and communication requirements.
7. Define Hawaii's UI IVR System controls - identifying data control, system security and audit requirements.
8. Define Hawaii's UI IVR System processes for input, mainline files and other files, tables and output processing.
9. Define Hawaii's UI IVR System supporting procedures - identifying data entry, system control and security, file reconstruction and recovery considerations.
10. Prepare test, conversion and implementation plans.
11. Prepare Hawaii's UI IVR System External Specifications (SES) document; revise the SES documents for modifications to the UIB, QWRS, UIT system.

d. System Internal Design Specifications (SIS)

Upon acceptance of the System External Specifications (SES) document and upon authorization in writing by the Director of Labor and Industrial Relations, the contractor shall proceed with the next task to include, but not be limited to, the following:

1. Develop a work plan that includes a listing and schedule of all work activities and events, timetable to complete each activity, State personnel to be contracted and involved in each activity and milestones that serve as review checkpoints to control work progress.
2. Maintain liaison with project organization.
3. Review the SES for Hawaii's UI IVR System, including the specifications or modifications to Hawaii's existing unemployment insurance tax, (UIT) quarterly wage reporting (QWR) and benefit (UIB) systems and assess the need to update and revise requirements as necessary.
4. Define Hawaii's UI IVR System design framework - identifying system structure, job stream design, implementation standards and utilities, and checkpoint and restart considerations; review hardware and software specifications and requirements.
5. Define Hawaii's UI IVR System data file structures for mainline files, work files, table layouts, output and interface files, and including file and data indices; finalize input, changes in forms design, and transactions layouts.
6. Define Hawaii's UI IVR System output layouts and specifications including cross-reference index of output.
7. Define Hawaii's UI IVR System special design considerations - identifying system design specifications, teleprocessing specifications as well as data control, security and audit control considerations and history/purge file criteria.
8. Define Hawaii's UI IVR System program design specifications - identifying functional organization of each program, processing logic for each module and/or program, definitions of applicable algorithms, and sort and merge requirements.
9. Finalize test, conversion and implementation plans.
10. Define operations related information including test and production schedules and requirements.
11. Prepare Hawaii's UI IVR System Internal Specifications (SIS) document; revised SIS documents for modifications to the QWRS, UIB and UIT systems.

e. Program Development and Testing; System Conversion and Implementation

Upon acceptance of the System Internal Specifications document and upon authorization in writing by the Director of Labor and Industrial Relations, the contractor shall proceed with providing the following:

1. Develop a work plan that includes a listing and schedule of all work activities and events, timetable to complete each activity, State personnel to be contracted and involved in each activity and milestones that serve as review checkpoints to control work progress.
2. Maintain liaison with project organization.
3. Review the SIS for Hawaii's UI IVR System, including the specifications for modifications to Hawaii's existing unemployment insurance tax, (UIT)

- quarterly wage reporting (QWR) and benefit (UIB) systems and assess the need to update and revise requirements as necessary.
4. Acquire, install and test Computer Telephone Integration hardware and software.
 5. Code Hawaii's UI IVR System and modifications to Hawaii's UIT, QWR and UIB systems programs
 6. Prepare Hawaii's UI IVR System and modifications to UIT, QWR and UIB systems job control commands and source modules/programs; assemble, compile and debug programs.
 7. Prepare programming document for Hawaii's UI IVR System and modifications to UIT, QWR and UIB systems, including system library contents, job control language commands, map listings and source programs and listings and other corresponding program documentation.
 8. Review, update and finalize test plans for Hawaii's UI IVR System and modifications to UIT, QWR and UIB systems, including system acceptance criteria, test requirements, test case specifications, timetable for testing, key responsibilities of involved staff and other pertinent considerations.
 9. Prepare test data for Hawaii's UI IVR System and modifications to UIT, QWR and UIB systems, perform testing and desk checking, perform program/system debugging and document test results.
 10. Prepare test document for Hawaii's UI IVR System and modifications to UIT, QWR and UIB systems.
 11. Review, update and finalize the conversion plan for Hawaii's UI IVR System and modifications to UIT, QWR and UIB systems, including data file and data collection requirements, purging and error correction requirements as necessary, and control report requirements; develop conversion program(s) and relevant procedures and responsibilities of involved staff.
 12. Prepare the conversion document for Hawaii's UI IVR System and modifications to UIT, QWR and UIB systems and perform conversion activities as necessary.
 13. Review, update and finalize the implementation plan for Hawaii's UI IVR System and modifications to UIT, QWR and UIB systems
 14. Prepare users, systems and operations manuals; conduct training for user and data processing personnel.
 15. Install Hawaii's UI IVR System and modifications to UIT, QWR and UIB systems , initiate new system cut-over, turn system over to operations.
 16. Monitor and evaluate Hawaii's UI IVR System and modifications to UIT, QWR and UIB systems in the operational environment. Contractor shall monitor and, if necessary, correct the system and documentation for a period of 3 months immediately following the installation of each project phase.

2.3 ADMINISTRATIVE SERVICES

The contractor shall provide for all administrative needs of the project including, but not limited to, clerical support (such as typing, duplicating and binding of project

deliverables), supplies, copier services, courier services to transport necessary items between the State and contractor locales, parking accommodations and expenses, etc.

DLIR requires that the vendor appoint a project manager who has been given authority by the vendor to be a single point of contact for IVR system implementation. The vendor must receive approval from DLIR to subcontract any portion of the installation and will be liable for any costs or errors incurred by subcontractors.

2.4 PRODUCTS TO BE DELIVERED

The following products shall be developed and documented in accordance with standards and conventions of the State's ICS Division, Department of Labor and Industrial Relations and SDM/Structured (Systems Development Methodology). The contractor shall develop and submit the originals and two (2) copies of the products listed below for each of the three phases of the Project:

- a. System Requirements Definition, (SRD)
- b. System Design Alternatives, (SDA),
- c. System External Specifications, (SES),
- d. System Internal Specifications (SIS),
- e. Test Plan, Programming Documents Conversion Document,
- f. User, System, and Operations manuals,
- g. User and Data Processing personnel training manuals

The contractor shall also supply all Local Area Network, Wide Area Network, and Computer Telephony Integration hardware and software necessary for the operation of Hawaii's IVR system.

Deliverable products will be completed and provided to the department upon completion of the respective tasks of the project by the contractor.

2.5 PERIOD OF PERFORMANCE BY THE CONTRACTOR

The services of the contractor shall commence on or about September 1, 1997 and the work described herein shall be completed and accepted by the DLIR not later than June 30, 1998 for Phase I, July 30, 1999 for Phase II, and October 29, 1999 for Phase III.

2.6 ASSISTANCE BY THE STATE

The State, in furtherance of the contractor's efforts, shall:

- a. Make available to the contractor without charge all information, data reports and records that are existing, available and necessary for the performance of the work outlined in previous sections and cooperate with the contractor in every way possible in the performance of the project work.

- b. Designate, prior to the commencement of project work, a project manager to whom all communication should be addressed. The project manager will be responsible to arrange all administrative matters and secure necessary information and decisions as required by the contractor for the project.
- c. Provide approximately 120 square feet of working space in the Keelikolani Building, 830 punchbowl street, Room 115, Monday through Friday from 8:00 am to 4:30 pm for the contractor performing services under contract for the duration of the UI Interactive Voice Response project. The State will also provide the contractor space for consultation and conferences regarding project matters, at the discretion of the DLIR and subject to the availability of space. The State, however, will not provide parking space for the contractor nor will it provide clerical services such as typing, copying and/or publishing documents specified under Section 2.3 and 2.4.
- d. Provide computer time for the compiling, testing and debugging of computer programs and systems testing and conversion. Access to the State's ICS Division will primarily be through a Time Sharing Option (TSO) terminal provided for use by the contractor Monday through Friday from 8:00 am to 4:30 pm in the Keelikolani Building, 830 Punchbowl Street. The State, however, will not provide services for data entry, data control or other computer processing support services.

2.7 STAFF TRAINING

DLIR requires that training be provided at the DLIR site. The goal of training will be to make DLIR staff self-reliant in all aspects of system management, system programming and operation. The cost of system management, application programming and program consultation must also be included and clearly identified in the proposal. Training times will be scheduled at the convenience of the DLIR staff.

DLIR requires that a minimum of three (3) application programmers be trained in system architecture, system utilities, application development and in the maintenance of applications software for each application.

DLIR requires that a minimum of three (3) network managers, three (3) system supervisors and three (3) application programmers be trained in the operation and management of the IVR prior to the implementation date of each application.

The Offeror shall fully describe the training it shall provide to accomplish the DLIR requirements described in this section.

2.8 HARDWARE MAINTENANCE

- a. Parts Non-availability

In the event that a failing component, assembly, or part is not available from the local parts inventory, the contractor will be required to air ship the replacement component or part to Hawaii and deliver it to the State's site within twenty-four (24)

hours of the identification for replacement or repair. In the event that an equipment is inoperative for more than twenty-four (24) hours due to equipment failure, the contractor shall take one or more of the following actions at no additional cost to the State and subject to the State's approval:

1. Provide backup equipment;
2. Provide on-site personnel for thorough analysis of the problem;
3. Provide replacement for the failing equipment.

When the system is operational but not fully functional, replacement of the failing component, assembly, or part must be at the State's site within twenty-four (24) hours of identifying the need for replacement or repair.

The State will be the sole judge in determining if the system is not operational or is operational, but not fully functional. In all cases, priority air shipment is required for expeditious delivery of required component, assembly, and/or part at the contractor's own expense.

b. Engineering Changes

From time to time, the manufacturer may make technical equipment improvements to existing installed and operational equipment at the State. These are accomplished through field engineering changes. These engineering changes are not only desirable but shall be critical when they are prerequisites to the addition of features to equipment and when they are required to be consistent with the equipment configuration and microcode levels. Therefore, the contractor must track the requirement for and the installation activity of these engineering changes on each model type of equipment. Services to perform engineering change, including parts, labor, equipment, transportation, etc., shall be furnished by the contractor. The contractor must have the capability to effectively track engineering changes requirement to the equipment from the manufacturer. The State, prior to its issuance of Notice to Proceed shall require the contractor to submit his/her engineering changes tracking system for review. This engineering changes tracking system shall include contractor's procedures, plans, and/or methodology that will ensure effectiveness and efficiency.

The application of all engineering changes to equipment requires State's approval prior to commencement of work. The all inclusive cost to perform engineering changes shall be included in this contract.

c. Equipment Modifications

All manufacturer-sponsored modifications or engineering changes to equipment shall be accomplished by the contractor. The all inclusive cost to perform equipment modifications and/or engineering changes shall be included in this contract. Any equipment modification shall be done only with the approval of the State.

d. Maintenance Reports

The contractor shall furnish a maintenance report upon completion of each maintenance call. The report shall include, but is not limited to, the following:

1. Date and time contractor was notified
2. Date and time of contractor's personnel arrival
3. Type and model number(s) of equipment
4. Time spent for repair
5. Description of malfunction
6. List of parts replaced
7. Additional charges, if applicable
8. Date and time of turnover to State and signature of person accepting service performance for State
9. Signature of person performing repair/maintenance

e. Disaster Recovery Support

The Offeror shall detail its disaster recovery support policy in place at the time of this RFP. The Offeror shall also provide a list of private companies and government agencies to which disasters have occurred and the length of time following the disaster the Offeror delivered replacement equipment or brought its system into full operation.

Associated cost estimate for furnishing replacement IVR hardware or software in the event of a disaster. (Cost estimates will not affect your bid price.)

f. Parts Availability

The Offeror is required to maintain a parts inventory on the island of Oahu in a nearby local office storage area or in a portable parts kit maintained by the Contractor's service representatives. The State requires that the contractor maintain a local parts inventory of at least 95 percent of parts required to effect immediate repairs at time of proposal. The Offeror must be prepared to demonstrate a local parts inventory management system to the State upon two (2) days' notice. The demonstration must include, but not be limited to, showing the local inventory level/reorder procedures in order that the State may verify that 95 percent parts availability levels are maintained.

g. Diagnostic Tools and Test Equipment

All special diagnostic tools and test equipment designated by the manufacturer as necessary to detect, isolate, and correct machine malfunctions shall be available at the local service office or other agreed upon site.

The State also requires the Offeror to propose a remote support system that will provide the appropriate service personnel with the capability to remotely access error

logs, system status and run diagnostic tests. This remote support system will allow the customer engineer to view error logs daily and to see if the system is posting errors that could point to a component failure. When there is a hardware problem call placed, the failing device can be checked instantly by the customer engineer and the operator can be given instructions to correct the problem if possible. The hardware support equipment shall further provide the remote customer engineer with the capability to transmit corrective microcode maintenance from his/her remote site directly into the equipment and apply such maintenance to correct hardware problems.

h. Periods of Maintenance Service

The contractor's hardware maintenance staff shall be available to respond on an on duty basis, seven (7) days per week and twenty-four (24) hours per day including holidays. The State requires that the hardware maintenance staff call back within twenty (20) minutes after the initial trouble call. If the State requires on site assistance, the contractor's hardware maintenance staff shall respond on site within two (2) hours of the initial trouble call unless other arrangements have been made with the State's permission.

i. Hardware Maintenance Services to be Provided

Offeror must detail maintenance services to be provided. They shall include preventative maintenance, remedial maintenance, and predictive maintenance. It shall also include providing replacement parts and equipment updates. This requirement identifies State's requirement for hardware maintenance. The State will further identify its response requirements for remedial maintenance in the following item Hierarchy of Support for On Site Repair.

Preventative maintenance. Preventative maintenance shall provide on a schedule mutually agreed to between contractor and State, and shall keep proposed equipment in a condition ready for ordinary use. Preventative maintenance shall include periodic inspection, cleaning, lubrication, adjustment and, as needed, replacement of parts or components of the equipment. Contractor shall specify in advance the length of time it will require for each such preventative maintenance visit for a specific item of equipment, and State shall make each such item available to contractor to perform preventative maintenance. Contractor agrees that preventative maintenance will be accomplished during times that are convenient to the State's work schedule and will comply with the State's security regulations.

Remedial Maintenance. Contractor shall perform remedial maintenance at State's location when State notifies contractor of an equipment failure. Remedial maintenance shall include putting the equipment in good working order, repair and testing of failing systems or exchange of a machine which cannot be repaired in the time frames set out herein. Under an exchange, contractor will provide an exchange machine. An exchange machine may not be new but will be in good working order.

Predictive Maintenance. Contractor shall track, predict, and correct potential malfunctions on equipment to avoid adversely impacting the State's system. When transient error recording exceed established thresholds, maintenance will be scheduled and performed on indicated units to enhance State's system or equipment availability. Predictive maintenance will include:

1. Analysis of trend reports generated by programs that provide equivalent IBM programs from Error Recording Editing Program (EREP) data.
2. System and component status monitoring, logging and analysis procedures.
3. Use of system diagnostics or tools to exercise equipment.
4. Analysis of I/O error statistical reports.

Replacement Parts. During preventative maintenance, contractor may install or replace parts as is necessary. Such parts shall be new. During remedial maintenance, contractor will use only new parts or components. All parts and/or components thereof replaced become the property of the contractor. Replacement parts will be provided as part of the basic maintenance service unless excluded herein.

Safety Devices. Contractor will install, without charge, all safety devices it deems necessary.

j. Hierarchy of Support for On Site Repair for Hardware Maintenance

The State recognizes that complex maintenance problems may occur which require service resources beyond that available at the local level. It therefore is mandatory that the contractor make available to the State, at no extra charge, hierarchies of support to quickly isolate and resolve these complex equipment malfunctions. When equipment fails or becomes inoperative, corrective maintenance will be provided as follows:

1. After contractor's service personnel arrive at the State's installation to respond to a remedial maintenance call and the equipment malfunction has not been diagnosed and repair begun within two (2) hours of the time of arrival of the service personnel, the contractor shall utilize second level technical support. In the event that four (4) additional hours elapse from the time of response at the second level of technical support and the equipment malfunction has not been diagnosed and repair begun, the contractor shall utilize third level technical support. If such a failure remains unresolved for twelve (12) hours, a higher level of support service personnel will be invoked at no cost to the State.
2. Second Level Technical Support. A local support engineer with additional training and/or experience who specializes in providing diagnostic

assistance and/or repair expertise when a problem cannot be resolved at the initial level of support.

3. Third Level Technical Support. A specialist who has received in-depth specialized training and/or experience and who specializes in providing diagnostic assistance and consultation to assist on unusually complex problems that cannot be resolved at the first or second support levels.
4. Higher Level Support. A specialist who has received in-depth specialized training and/or experience beyond the third level Technical Support Specialist and specializes in providing diagnostic assistance and consultation to assist in unusually complex problems that cannot be resolved at the first, second, or third support levels.

The Offeror must include in Offeror's proposal the names, years of experience, and location of these specialists at each support level. For Third and Higher Level Support, the Offeror must provide name and location of the facility.

k. Safeguard Data

Due to the confidential and critical nature of the State's data, contractor shall protect the confidentiality of the State's data.

2.9 ADDITIONAL SUPPORT SERVICES

In order for the State to effectively control its combined computer system resources, the contractor shall provide technical guidance and assistance in:

- a. Installation planning assistance and advice including physical environment and site preparation, configuration assistance, and installation coordination to minimize system and equipment service outages and reduce the disruption of normal data center operations.
- b. Direct support in the installation, testing, and implementation of the contractor's public domain and proprietary software required for file conversion, installation, and operation. This shall include the availability of back-up technical assistance to resolve problems encountered in using the delivered Software, serve as an information resource concerning the installation and use of Software, and provide quick access to back-up assistance by the contractor either on site or by other qualified personnel by telephone.

This assistance shall be provided on site and without limitation as to hours on an ongoing basis for the entire contract period.

2.10 SOFTWARE TERMS AND CONDITIONS

- a. Grant of License

Contractor shall grant to the State a perpetual, non-transferable, and non-exclusive license for all of the features and functionality contained in Software including all of the computer program(s) consisting of a series of instructions or statements in machine readable object code form, any revisions or updates provided by contractor to State pursuant to the contract and the Program Documentation, for State users to use. Term of the license shall begin with the effective date of contract. State's rights under the resulting contract shall not be assigned, sublicensed, or otherwise encumbered or transferred by the State except with the prior written consent of the contractor.

Title in, and ownership of Software, shall remain at all times with the contractor. The Term of the license shall coincide with the term of the contract which begins upon execution governing this proposal.

b. Use and Protection of Software

Software shall be installed on the ICSD's mainframe computer system or other platform and shall be used by the State, its authorized employees, consultants, and subcontractors under contract to the State, working solely for the benefit of the State, and those Private Agencies authorized to access Software. State's sole responsibility for consultants and subcontractors on contract to the State will be limited to that described in the Other Software Requirements later in this section. State shall not permit or provide for transfer or reproduction of Software, or any portion thereof, to be placed on a computer not at the installation site, by physical or electronic means, unless specifically authorized. State shall not make or allow others to make copies or reproductions of Software, or any portion thereof, or documentation in any form without the prior written consent of the contractor. The distribution or disclosure of Software, including derivative works, modifications, or adaptations, made by the contractor are expressly prohibited.

Except as expressly stated herein, the State may not alter, modify, or adapt Software, including but not limited to translating, reverse engineering, decompiling, disassembling, or creating derivative works, and may not take any other steps intended to produce a source language statement of Software or any part thereof without the contractor's prior express written consent which shall not be unreasonably withheld.

State will be the sole owner of all codes developed or generated by or for the State through the use of Software, provided that such codes contain no source or object codes of Software. Further, the State will be the sole owner or custodian of data transmitted, received, or manipulated by Software.

State is authorized to copy and use Software for backup, archival, and disaster recovery purposes. Software may be used on a backup CPU whenever the ICS Division's or DLIR's computer system is temporarily inoperable, until such CPU is restored to operation. Software may be used on a backup CPU concurrently for up to one (1) month for disaster recovery testing per year and for any period for actual

disaster recovery.

c. Other Software Requirements

State shall keep confidential all Software not protected by copyright. State will reasonably protect such information and at a minimum provide the same safeguards afforded its own confidential information. Contractor will keep confidential all information to which it has access in the performance of the resultant contract executed pursuant to this RFP. Confidential information shall not include information now or hereafter in the public domain, information already in the possession of the other party, information obtained from another source without obligations of confidentiality, information independently developed, or information required by a court or government order or applicable law.

d. Software Maintenance

Purchased Software: Software proposed on a one-time license fee or purchase basis shall provide a minimum warranty period of sixty (60) days. After this warranty period, the Offeror shall offer annual or monthly fees for maintenance of proposed software.

Licensed Software: Software proposed on an annual or monthly license fee basis shall include a warranty period of one (1) year.

e. Software Maintenance Renewal

This RFP and its resultant contract shall not provide for renewal of either software maintenance or annual or monthly license fees. The State shall have the option to renew in accordance with State procurement laws and practices in effect when this RFP and its resultant contract terminates.

f. Software Warranty

Contractor warrants that it has full power and authority to grant the rights herein described. Contractor's obligation and liability under this Section shall be to obtain any authorization necessary to make effective the grant of license to the State to use Software, in such manner or method as determined by the contractor, at the contractor's own cost and expense.

Contractor warrants that Software will conform with the published product specifications and Program Documentation in effect at the effective date of this contract. Contractor also warrants that, for the term of this contract, Software will perform substantially in accordance with its documentation. Contractor further warrants that the software is Year 2000 compliant. Contractor does not warrant that the operation of Software will be error free. Contractor's obligation and liability under this Section shall be to replace or correct Software so that it will so perform. In its obligation to correct Software, the contractor will also provide assistance and

consultation to the State, at no additional charge to the State, for problem determination and resolution with the use of Software. This will include diagnosis and verification of problems, and correcting errors and defects in Software.

State's sole remedies for damage or loss (except personal injury or property damage) arising from use of Software, contractor services, or breach of warranty shall be the repair or replacement of Software. Contractor shall have no liability or responsibility for problems in Software caused by alteration or modification by the State not authorized by the contractor, or for problems arising out of the malfunction of the State's equipment or other Software not supplied by the contractor.

Contractor shall resolve all severe and major problems and shall with notification by telephone, require on-site representation by the contractor.

2.11 STAFFING FOR PROJECT

This section shall provide a description of the minimum qualifications of personnel that will be committed to the project. Also, minimum qualifications of technical support personnel are described in this section.

a. Maintenance - Service and Support Personnel

Offeror's hardware maintenance personnel must be fully qualified to maintain and service all equipment proposed. Proof of qualification acceptable to the State must be submitted as part of the Offeror's proposal. The Offeror shall utilize service and support personnel with the following qualifications:

1. minimum of three (3) years' experience maintaining equipment offered.
2. minimum of three (3) years' experience in computer and DASD management, performance analysis and tuning for MVS/XA, MVS/ESA, VM/ESA, and VM/XA and installation and maintenance of MVS/XA, MVS/ESA, VM/ESA, and VM/XA.
3. minimum of three (3) years' experience in planning and installing the equipment offered to assist the State by providing recommendations and guidance in the following areas:
 - a) Machine Placement and Location/Room Layout.
 - b) Electrical Requirements.
 - c) Cooling Requirements.
 - d) Environmental problems such as radio frequency interference, voltage fluctuations, inadequate cooling/air conditioning, etc.

4. minimum of three (3) years' experience in problem determination analysis and the diagnosis of traces, error logs, and dumps for all installed versions and releases of MVS/XA, MVS/ESA, VM/ESA and VM/XA.
5. minimum of three (3) years experience being a certified network engineer (CNE) of the proposed LAN and WAN. The CNE experience should include but not be limited to planning, installation, management and maintenance of the proposed network. The CNE should have the experience in performance analysis, fine tuning, and problem determination analysis and diagnosis of the proposed network.

b. Contractor Project Personnel

The contractor shall represent that it will assign personnel who meet the minimum qualifications set forth below to perform the services under and for the duration of the contract. Resumes of personnel who will be assigned to this contract must be submitted with the proposal. All personnel for whom resumes are submitted must be employed by the contractor or its subcontractors effective at the date of submission of the proposal.

The minimum qualifications of the personnel assigned to the contract are:

1. Management consultant(s) who will recommend solutions to organizational problems and procedures, reporting requirements, system security and internal controls - a minimum total of five (5) years experience in the following:
 - a) two (2) years of management information systems, automated data processing and computer telephony integration,
 - b) two (2) years of system security and internal control,
 - c) one (1) year of organizational structure, relationships and procedures.
2. Systems Analysts who will design and develop specifications for the Interactive Voice Response system and modifications to existing mainframe applications
 - a) a minimum of five (5) years automated data processing analytical experience of which three (3) years shall be experience in developing or making significant modifications to large and/or multiprocessing computer systems,
 - b) experience in IBM 3090/200 computer systems operating in an OS MVS environment,
 - c) experience in developing or modifying systems using ADABAS,

NATURAL II and on-line applications,

- d) experience in the development and documentation of systems using SDM/Structured (Systems Development Methodology)
 - e) a minimum of five (5) years computer telephony integration experience in the products being proposed
3. Computer programmers who will develop, test and implement the Interactive Voice Response System and modifications to the existing mainframe applications
- a) A minimum of three (3) years automated data processing analytical and OS ANSI COBOL programming and CICS experience,
 - b) experience in IBM 3090/200 computer systems operating in an OS MVS environment,
 - c) experience in the development or modification of systems using ADABAS, NATURAL II, and on-line applications using CICS,
 - d) experience in the development and documentation of systems using SDM/Structured (Systems Development Methodology)
 - e) a minimum of three (3) years experience in the development and documentation of systems using the computer telephony integration products that are being proposed.
4. Certified Network Engineer who will plan, install, test, and maintain the LAN and WAN being proposed.
- a) A minimum of three (3) years experience in planning, installation, testing, managing, and maintaining the LAN and WAN being proposed.

The personnel assigned to the project by the contractor shall not be employees of nor have individual contractual relationships with the State. The contractor shall designate, prior to commencement of work under contract, a project leader for its personnel who will interface with the State's project manager.

The State shall have the right and the contractor must comply with any request to remove personnel immediately, upon notification by the department, from the State's premises and from all work under the contract.

2.12 SITE PREPARATION

The State is especially concerned with requirements for power, cooling, floor strength, floor height, service clearances, and delivery/installation. The Offeror shall inspect the

State's installation site and identify all modifications necessary to install equipment. The State will pay all one-time site preparation costs provided these costs are itemized and included in Offeror's proposal. Prospective Offerors must certify that their proposed equipment will operate after it is installed in the areas designated by the State.

2.13 DELIVERY

The Contractor shall deliver the equipment to the various installation sites. "Delivery" means the transportation of all equipment to the site; uncrating; unpacking; removal of crating, packing, and skidding; and the positioning of the equipment for installation.

The contractor shall be responsible for the risk of loss or damages that occur during delivery and installation of the proposed equipment.

2.14 LOADING, CRATING, AND SKIDDING

All loading, crating, and skidding used in the shipment of the equipment shall be the property of the contractor and shall be removed by the contractor from the State's premises immediately following the installation of equipment.

2.15 INSTALLATION OF EQUIPMENT

Installation shall be the responsibility of the contractor and shall be conducted under the direction and supervision of the contractor's representative who shall be at the site during delivery and installation.

Installation shall also include disconnecting and unplugging all electrical and other connections for each piece of existing equipment. Contractor shall also remove the replaced equipment from the State site.

"Installation" means the hookup or plug in of all electrical and other connections for each piece of equipment and proper attachment of any subassemblies to the equipment so that the equipment is operable and ready for use by the State.

The equipment installation must be completed by the date accepted by the State in the Offeror's proposal. Damages for late installation will be assessed according to the Liquidated Damages clause herein.

The contractor must notify the State, in writing, of the date installation is complete; i.e., that the equipment is installed, in good working order, and is ready for use. Acceptance of equipment shall be as provided in Acceptance of Equipment section herein.

2.16 QUALITY OF EQUIPMENT

Equipment furnished under these provisions and specifications shall be new and shall be Year 2000 compliant. All equipment supplied shall be labeled and/or embossed with the manufacturer's name, logo, serial number, and/or part number. It shall be free from

defects which may render it unfit for use. Damaged or rejected items must be immediately removed from the site and replaced with items of the quality required by these specifications.

Failure to replace or to remove any rejected item shall not relieve the contractor from the responsibility imposed upon it by the contract.

No payment, whether partial or final, shall be construed to be an acceptance of defective materials. The contractor shall be liable for latent defects, fraud, or gross misrepresentations that amount to fraud.

The State may, at any time, by written order, stop the delivery of equipment not conforming to these specifications. Such stop order shall not relieve the contractor of the obligation to complete the contract within the contract time limits, nor shall it in any way terminate, cancel, or abrogate the contract or any part thereof.

2.17 ACCEPTANCE OF EQUIPMENT

a. Conditions of Acceptance

The equipment and/or Software will not be accepted and no charges shall be paid by the State until the equipment has successfully met the State's Acceptance Test as specified below.

In addition to the above, during the installation procedures, the contractor will perform all other diagnostic routines normally run on a system of this nature and turn the equipment over to the State in good working order. The contractor must certify in writing to the State that the equipment has been properly installed and is ready for use.

A System demonstration shall begin on the date designated by the State following notification that the installation is complete and shall end when the proposed system has been satisfactorily demonstrated to the State.

The Acceptance Test Period shall begin on date designated by the DLIR following that the demonstration of the proposed system is complete and shall end when the equipment has satisfactorily passed the State's acceptance test as defined herein by operating in conformance with the manufacturer's published performance specifications and capabilities and Program Documentation. The State shall complete its acceptance of the equipment within Sixty (60) calendar days provided the equipment performs to specifications.

Equipment shall not be accepted by the State and no charges will be paid by the State until the equipment has satisfactorily passed the acceptance test.

Upon successful completion of the Acceptance Test Period, the State shall notify the contractor in writing of the State's acceptance of the installed equipment and

authorize payments as provided herein.

b. Acceptance Testing:

DLIR will conduct integration and acceptance tests following the installation of the product and the training of DLIR staff. The tests will demonstrate the functional compatibility of all system components and that all system components meet the minimum system requirements outlined in *Section Three*.

c. Level of Effectiveness:

This is a performance level the DLIR expects the vendor to be able to demonstrate for the hardware and software bid.

The level of effectiveness is a percentage figure determined by dividing the total operational use time of the hardware and software by the total operational use time, plus associated downtime, excluding scheduled preventive maintenance time. Downtime will include any period of time that the IVR performs in a degraded mode. Wall clock time will be the basis used in calculating the percent figure.

DLIR will require the vendor to demonstrate that all hardware and software bid can maintain a level of effectiveness of 99.5% for 30 consecutive business days.

The acceptance test will continue on a day-by-day basis until the level of effectiveness is maintained for a total of 30 consecutive business days.

e. Completion of the Acceptance Test:

Immediately upon successful completion of the acceptance test, DLIR will notify the vendor in writing of acceptance and authorize payment. Successful completion of the acceptance test for the entire system is required. Neither partial acceptance nor partial payments will be considered.

SECTION THREE
**CONCEPTUAL DESIGN AND SYSTEM REQUIREMENTS FOR HAWAII'S
UNEMPLOYMENT INSURANCE INTERACTIVE VOICE RESPONSE SYSTEM**

3.1 DESCRIPTION OF CURRENT ENVIRONMENT

The unemployment insurance automation environment is comprised of four major systems; UI benefits, UI tax, Employment and Training Assessment and UI Quarterly Wage Reporting systems. The UI Tax and Employment and Training Assessment systems are currently undergoing a major redesign and should be implemented in late 1997. These systems are host-based, use ADABAS as a data-base manager, are written in NATURAL programming language and operates in a CICS environment. All systems provide for on-line real-time updates, data entry and inquiry as well as overnight batch processing.

The Unemployment Insurance Division's automated systems reside on computer(s) located at the State's Kalanimoku Computer Center at 1151 Punchbowl Street, Honolulu. The computer center is operated by ICSD's Systems Operations Branch 24 hours a day, 365 days a year including holidays. Normal State working hours are Monday to Friday, 7:45 a.m. to 4:30 p.m. excluding holidays.

The computer center's computer room encompasses approximately 12,000 square feet. Information processing services are primarily provided by IBM mainframe computers and other services by Wang and HP computer systems. The majority of the critical production application systems are processed on IBM mainframe computers. UI Applications are resident on an IBM 9672/R53 mainframe computer which is connected to various I/O peripherals and communication equipment.

Communication systems are monitored by the ICSD Systems Operations Branch (SOB) Assistance Center staff using network management systems which include the GDC Netcon-7. Remote users communications are connected through telecommunication equipment which include GDC intelligent modems or Doelz remote line concentrator equipment using Hawaiian Telephone Company (HTCO) lines and Wangnet for cost effective sharing of high speed transmission. There are a few dial-up lines available on the mainframe using Datalock systems for authorization and security. Much of the interisland communication is transmitted through the State-owned microwave system linking the islands of Kauai, Oahu, Maui, and Hawaii with voice, data, and video services.

The State's telephone network, designated Hawaii's Advanced Telephone System (HATS), is a CENTRANET based system. The Host DMS-100 switch is located in Honolulu with Remote Switching Centers (RSC) in Hilo, Wailuku and Maui. The Kona DLIR office is to be served from the Hilo RSC. Foreign Exchange (FEX) circuits connect the Molokai office to the Honolulu host. A RSC at Waipahu and Kaneohe connects these offices to the Honolulu host switch.

Currently, individuals are required to file their initial claim applications for UI benefits in person at local claims offices situated throughout the State. To receive unemployment benefits, claimants must complete and either mail or drop off their claim certification form on a bi-weekly basis to the local office which is closest to the claimant's place of residence. There are three local offices situated on Oahu, two on Hawaii, and one each on the islands of Maui, Molokai and Kauai. The island of Lanai and remote areas on the island of Hawaii are serviced periodically on an itinerant basis. During calendar year 1995, over 113,000 initial claims and 892,000 weeks claimed were filed.

Employers who have at least one employee are generally required to register their businesses either in person or by mail. Most employers are classified as contributory employers who pay UI taxes and Employment and Training assessments and file employee quarter wage reports on a quarterly basis. Nonprofit and governmental employers may elect to reimburse the UI Trust fund for unemployment insurance benefits paid to their former employees instead of paying a tax on their payroll. Those electing the self-finance method are billed for benefits paid to their former employees on a monthly basis. Governmental employers, however, must pay the estimated benefits in advance. As of 1995, there were 26,775 active employers registered in Hawaii. Employers requesting information about reporting requirements or specific account information must generally call or correspond with our agency to obtain such information.

3.2 PROJECT OBJECTIVE

During the past several years, Hawaii has been able to meet most of its desired level of achievements in terms of quality and timeliness of service. During these years, however, funding levels were adequate and Hawaii's automated systems provided the necessary tools to enable our operations to collect the more than \$140 million in taxes paid by employers and process the hundreds of thousands of UI benefit claims filed per year. The current situation, however, indicates that federal funding levels will be severely impacted as the federal government attempts to balance the budget by the year 2002. In order to continue to maintain the current level of services within the anticipated reduced level of funding, cost effective automation technology such as computer telephony integration (CTI) must be integrated into the UI system.

The project objective, therefore, is to design, develop and implement a cost effective unemployment insurance interactive voice response system which will enable claimants and employers to have timely access to unemployment insurance services and information by using touch tone telephones.

3.3 SYSTEM REQUIREMENTS

3.3.1 INCOMING CALL PROCESSING REQUIREMENTS

- a. The IVR system must accept and process information from touch tone phones.

- b. The IVR system must interact with callers and access mainframe, mini or PC data bases so that the caller can be provided with an appropriate response.
- c. The IVR system must dynamically reassign incoming telephone lines between applications without impacting system performance.
- d. The IVR system must allow callers to dial over (strike over) spoken prompts with their next entry to that prompt if the caller is familiar with the application to minimize connect time and maximize transaction speed. The system must then proceed to the next prompt as soon as the entry of a digit is detected.
- e. DLIR requires that the IVR system be capable of accepting and processing calls every day of every week and when the host is operational between 7:00 am to 6:00 pm. As an option, the system may be designed to be operational for up to 24 hours a day unattended and continuously, even when the host is not operational, if proven to be cost effective or necessary because of the unique IVR system requirements.
- f. The IVR system must be able to record, store, tally, and/or play back:
 - 1. ID information entered into the system by the caller, such as the social security number.
 - 2. The number dialed by the caller when the Dialed Number Identification Service (DNIS) information is provided by the telephone company.
 - 3. The IVR system must support message recording and playback with a quality equal to at least 4000 8-bit samples per second (typically referred to as 32kb/s). Depending on the technology used, actual data recording and storage may be less than 32kb/s; nevertheless recording and playback must be equal in quality to at least 32kb/s. Specify the options for VRU recording/playback quality (such as 48kb/s or 64kb/s) and explain the sampling technique (such as storing all 32kb of data per second or only storing changed data in each sample) used for recording.
 - 4. The IVR system must be expandable to support at least 6 hours of recording storage per port. That is, a 4-port IVR must be capable of being equipped with sufficient storage to record 24 hours of voice.
- g. The IVR system must be capable of recognizing periods of caller DTMF inactivity, and prompt the caller to respond in order to continue the transaction. Silence duration thresholds must be programmable on

an application by application basis.

- h. The IVR system must be capable of recognizing periods of caller inactivity when doing voice recording and prompt the caller to respond in order to continue the transaction. Silence duration thresholds must be programmable on an application by application basis.
- i. The IVR system must be capable of gracefully terminating transactions when periods of caller inactivity (time outs) become excessive. It must be possible to customize this feature on an application by application basis.
- j. The IVR system must have programmable tolerance levels that will cause the IVR to terminate the transaction if a predetermined level of caller mistakes is exceeded.
- k. The IVR system must be capable of answering all lines simultaneously.
- l. The IVR system must be capable of "busyng out" a line to a failing port.
- m. The IVR system must allow the creation of "no kill" spoken prompts within scripts to insure that information is played in its entirety to the caller.

3.3.2 OUTBOUND CALL PROCESSING REQUIREMENTS

- a. The IVR system must simultaneously support incoming and outbound calling campaigns without system degradation.
- b. The IVR system and host computer must be able to initiate outgoing call campaigns.
- c. The IVR system must be able to accommodate variations in telephone systems it may encounter by varying digits, their duration and interdigit duration.
- d. The IVR system must be able to dial numbers, detect that the telephone has been answered, play a message to the caller and obtain a voice or DTMF response.

3.3.3 HOST CONNECTIVITY AND COMMUNICATIONS REQUIREMENTS

Any IVR system proposed must be fully compatible with ICSD's IBM 9672 mainframe environment as well as IBM AS 400 and PC Server environments. Vendors must provide compatible hardware and software to enable the proposed IVR system to interface with and be fully functional with each type

of environment. Vendors must indicate all host environments they are compatible with when responding to this question.

a. Communications to Host Computers

Currently, all the workstations in all UI local offices are connected to the ICSD mainframe through 3x74 controllers, terminals and PC's with Attachmate EXTRA! 3270 for Windows emulation software. The network protocol is SNA/SDLC. With the installation of LAN and WAN, all the UI PCs will communicate with IBM mainframe through SNA Gateway.

1. The IVR system must be capable of providing all of the following options;

- a) Communications to IBM System 9672 mainframes:
The IVR system must emulate 3270 device(s) (controllers and terminals, i.e. PU Type 2 or LU Type 2 or LU Type 6.2) when connected to ICSD's IBM 9672. The IVR system must emulate a 3x74 controller using SNA protocols.

The IVR system must support Wide Area Network communications to the IBM System/9672 compatible mainframe at transmission speeds up to 56kbps using SNA/SDLC protocols. The communications lines between the IVR system and the host mainframe computers must be fully compatible with the SDLC protocol currently in use on these connections.

- b) Communications to an IBM AS/400:
The IVR system must support communications to an IBM AS/400 with emulation of an IBM 5250 terminal connected via 16-mbit Token Ring LAN.

- c) Communications to an IBM (or equivalent) PC:
The IVR system must support communications to an applications server in a client-server environment. Communications in this environment will be over 16 mbit Token Ring LAN or 10 mbit Ethernet LAN.

- b. The IVR system must be capable of communicating simultaneously with any three of the hosts listed above. This means that within a single caller transaction the IVR system must be able to communicate with programs in up to three of the host systems to access and update data base information.

- c. The IVR system must be able to recognize when any mainframe is down or unavailable and result in an appropriate message being played back to the caller.
- d. The IVR system must support one or more of the following synchronous Wide Area Network physical host connections. (Proposal should specify all WAN physical interfaces available and the characteristics, including line speed and protocols supported, as part of the proposal):
 - 1. V.35 SNA/SDLC interface supporting 56kbps or faster transmission speeds;
 - 2. RS-232 SNA/SDLC interface supporting 9.6kbps and 19.2kbps transmission speeds;
- e. The IVR system must support one or more of the following Local Area Network physical host connections:
 - 1. 16 mbit Token Ring;
 - 2. 10 mbit Ethernet;
- f. The IVR system must support direct attachment using integrated adapters and software to X.25 Packet Switched Network or frame relay Wide Area Network technology. Offerors must identify the IVR hardware and software components required.
- g. The IVR system must link into the GTE Honolulu DMS-100 host switch via an X.25 control link. This link is to provide the call control specified in this Request for Proposals. The Offeror must identify all data and voice links required for each of the three phases and provide the cost information on each link.
- h. The IVR system must allow scripts (voice and procedural logic) to be updated periodically, without down time when changes are made to the script.
- i. The IVR system must have a flexible host application interface, so that the VRU is collecting and transmitting entire packets of data to the host. In other words, the VRU will have multiple interactions with a caller to collect data, which it will transmit to the host in a single transaction.
- j. If a caller has already completed a transaction and the host is down when the VRU attempts to transmit data to update the host, the data must be saved and transmitted when the host is available.

3.3.4 IVR SYSTEM FUNCTIONAL REQUIREMENTS

After receiving the callers security clearance (i.e. Pin number and/or social security number) and determining that the caller is not restricted from accessing the IVR system on this date and time (scheduling capability), the IVR system must be able to automatically log-on to any one (or more than one) of DLIR's three host computers, invoke a transaction, extract data elements and play back that information to the caller.

- a. The IVR system software must allow callers to delete or erase entries dialed in error.
- b. The IVR system software must allow callers to repeat prompts.
- c. The IVR system must answer all calls within three ring cycles under normal operating conditions, with the ability to increase or decrease the number of rings as application designs require.
- d. The IVR system must recognize disconnects by detecting line current interruption, hang ups, dial tones, and by timing out.
- e. The IVR system must recognize dial tone, ring backs, busy signals, answers, ring-no answers and silence.
- f. The IVR system must be able to indicate to callers that the host computer they are trying to access is unavailable.
- g. The IVR system must be capable of simultaneously accessing the host system and providing confirmation statements back to callers to minimize connect time.
- h. The IVR system must be capable of receiving and processing unsolicited commands from the host system, for example, the continued claims application will require that the host prompt the VRU to contact a transcriptionist to play back name and address information.
- i. The IVR system must be capable of running multiple concurrent applications. Application selection for a caller must be controllable through program selection and DNIS/ANI/CLID information.
- j. An IVR system implemented on a Centrex system must execute the transfer of calls via Centrex transfer, rather than bridging the calls and thus using two ports.

3.3.5 REPORTING AND OUTPUT REQUIREMENTS

Vendor supplied software must enable DLIR application programmers to

develop customized performance reports and system output if the desired reporting information is not already available on the system.

- a. The IVR system must provide daily, weekly, monthly, quarterly and/or annual management information (system and line activity reports) that include; the total number of calls on each line, the frequency all lines were busy, length of calls that complete the script, average length of calls, average length of incomplete calls, lines busied out for outbound calls, incoming time of day call patterns, at what point they were terminated within each script for each application and the number of rotary calls. Vendors must provide sample report layouts showing how they capture this information for other current customers.
- b. The IVR system must allow system administrators to display and monitor statistics for individual applications as they are running on the IVR, including the number of times each step was accessed.
- c. Report information must be available;
 - 1. On demand, at any time without impacting system performance.
 - 2. At intervals predetermined by the user without impacting system performance.
- d. In a network configuration, it must be possible to generate report output from local and remote terminals on the network to which the VRU is attached. It also must be possible to direct that output to the network attached printers if appropriate security clearance is given.
- e. The IVR system must be able to display statistics in graphical formats on line.
- f. The IVR system must allow statistical information to be dumped into an ASCII format for data transfer purposes.
- g. It must be possible to survey callers in order to determine user satisfaction with the script they are using and have this information play out in the form of a statistical report.
- h. The IVR system must enable programmers to generate outputs in response to a transaction, such as statistical information, confirmation notices, or the transmission of forms via the postal service or fax.

3.3.6 IVR SYSTEM SECURITY REQUIREMENTS

- a. The IVR system must "log-on" automatically to the appropriate test or production system using ICSD's RACF security package when accessing

a database.

- b. IVR system security must include locking keyboard and passwords for performing different levels of system administration, for example, the system must provide password protection so that audio recordings can not be changed or modified without a password being given.
- c. the IVR system must provide multiple levels of system security, both for the caller and for the system operators/administrators to prevent unauthorized use of the system. The administrators must be able to change/add/delete login Ids and passwords from the system console while the system is operational without affecting the performance of the system.

3.3.7 IVR SYSTEM MANAGEMENT REQUIREMENTS

- a. Systems managers must be able to track the amount of voice recording space and message storage space remaining on the system.
- b. The IVR system must allow the importing and exporting of file information via ASCII file format. Vendors must describe how this would be done as part of the bid response.
- c. It must be possible to perform system management functions, such as system backup, audio message backup, without interrupting system operation.
- d. The IVR system must allow system managers to monitor (do on-line supervision) on any active line in order to hear system responses, caller digits and background remarks without being heard.
- e. It must be possible to initiate system management functions from remote terminals attached to the same network as the IVR.

3.3.8 ON-LINE HELP REQUIREMENT

- a. Under program control, the IVR must offer callers on-line help by providing context relevant information, or the ability to transfer to a live agent, with the touch of a single key. If the on-line help facility has multiple levels, it must return the caller to the point in the script where the help facility was requested.
- b. The IVR system must provide context relevant help information without utilizing mainframe overhead.
- c. The IVR system must be capable of providing true context relevant information by analyzing the callers previous actions and predicting the

most relevant help message.

3.3.9 REQUIREMENT FOR ACCESSIBILITY BY NON-VOICE CALLERS (TTY)

The IVR system must allow deaf, hard of hearing or speech impaired callers to interface with the system via TTY. The system should be compatible in ASCII and Baudot formats allowing a TTY or PC user to access the system in a functionally equivalent way to that of a voice caller. Provide the cost per port for adding TTY support.

3.3.10 IVR SYSTEM CONFIGURATION REQUIREMENTS

- a. Only new equipment will be considered. Used, discontinued, or remanufactured equipment will not be considered. The configuration offered must be a model and type currently manufactured and supported by the manufacturer.
- b. The configuration must:
 1. Come delivered with enough ports to handle continued claims filing during the peak hours. The IVR system shall have sufficient capacity to satisfy the following conditions:
 - a) Blockage factor of 5%;
 - b) Yearly volumes of continued claims - 892,000;
 - c) Peak day volume of 5,000 continued claims;
 - d) Estimated script time for continued claims is 6 minutes.
 2. Be upgradable for initial claim filing and inquiry. Vendors must state what the standard upgrade increments are for adding additional telephone ports, memory, disk drives, tape drives, terminals and cpu capacity as part of the response. The IVR system shall have sufficient capacity to satisfy the following additional conditions:
 - a) Blockage factor of 5%;
 - b) Yearly volumes of initial claims - 113,000;
 - c) Peak hour volume of 250 initial claims;
 - d) Estimated script time for initial claims is 12 minutes;
 - e) Estimated time with customer service representative is 15 minutes.
 - f) Queue time not to exceed 2 minutes.
 3. Come delivered with ample voice capacity to handle the initial Phase installation and be upgradable. Please state the minimum upgrade increments as part of your response.

- c. The equipment configurations and voice response software offered must currently be installed and operating at a minimum of three business locations for a minimum of six months.
- d. All ports must be able to operate simultaneously without degradation or delay.
- e. The IVR system must come configured with enough usable disk storage to store system programs, application programs and recorded audio, with room for growth. Vendors must describe the amount of disk storage that may be configured with the system configurations offered, what increments it can be added in, and the per unit cost of the system disk.
- f. The IVR system must proceed with the next scripted question within one second after the receipt of the last DTMF digit when host interactions are not required. When host interactions are required, the response time must not exceed the host response time, plus one second.
- g. The IVR system must have adequate redundancy so that data collected is never lost or unavailable. Include solutions to ensure the following potential points of failure will never occur: loss of data on the IVR, inability to upload data to the host due to a communication link failure, inability to write data to the file due to file being full.

3.3.11 IVR APPLICATION SOFTWARE REQUIREMENT

- a. The software must contain a menu-driven applications generator capable of creating applications programs which run on the IVR system. The applications generator must create code in a common programming language, such as COBOL, Basic, C or C++, Java, HTML.
 - 1. Vendors must specify the compilers and other application development tools needed to compile, link and debug code for each language for which code is created by the applications generator. Specify the compilers and other application development tools needed here and list them in the proposal.
 - 2. Vendors must specify what language extensions or tool-kits are needed to support IVR applications using generated languages. Specify the language extensions or tool-kits here and list them in the proposal.
 - 3. The code created by the applications generator must be modifiable to link to programs written in C and/or C++, Java, HTML. If the generated code also supports links to other common languages, such as COBOL or Basic, these must be

listed here.

- b. The software must be compatible with DLIR's multiple host environment.
- c. The software must enable DLIR programmers or authorized users to design or modify IVR system functions. The software must give DLIR programmers and authorized users the ability to:
 - 1. Add, delete or modify voice messages. DLIR will require the vendor to provide high quality, professionally produced, voice prompts for continued claims and inquiry application.
 - 2. Perform editing, validation, range checks and table look ups.
 - 3. Compute check digits.
 - 4. Perform "call" routines to invoke other applications or transactions.
 - 5. Perform design, or modification functions while running applications in production, including script changes. This means the ability to make script changes and immediately implement them, without disrupting IVR operation.
 - 6. Create external files for transferring data.
 - 7. Provide for 5 or more levels of branching within each script.
 - 8. Test revised scripts on the host computer test system and the IVR without disrupting production operation on the IVR.
- d. The IVR system must be capable of assigning an identification number to each completed transaction sent to the host.

3.3.12 IVR SYSTEM DATA AND VOICE NETWORKING REQUIREMENTS

- a. The IVR system must support DNIS, ANI and CLID when information is available in band.
- b. The IVR system must support communications to the Public Switched Network (PSN) for analog service via standard analog (POTS) circuits and CENTREX circuits.
- c. The IVR system must support communications to the Public Switched Network (PSN) for digital service via all of the following:

1. T-1 (1.544mbps).
 2. 56kbps DDS (or equivalent) service.
 3. Fractional T-1 in 64kbps increments from 64bps through 1,544mbps.
- d. The IVR system must be compatible with DMS 100 on Oahu and Remote Switching Center switches on neighbor islands.
 - e. The IVR system must fully support Netview, including sending alerts to Netview and responding to Netview queries, when configured to support 3270 communications.
 - f. The Offeror must specify and propose all tools (except for Netview) necessary for management of the IVR system from a remote location. Specifically, this includes software needed to provide remote console support, program/script/data distribution, and any problem management. The Offeror must specify relevant information about the function and use of each product.

3.3.13 IVR SYSTEM TEXT-TO-SPEECH REQUIREMENTS

- a. The IVR system must be capable of speaking in English with a digitally recorded human voice. If other languages are available, please state what they are.
- b. The IVR system must be capable of speaking in English with synthesized speech. If other languages are available, please state what they are.
- c. The IVR system must be capable of concatenation sequences of digitized recorded speech and synthesized speech. The system must provide the ability to control the rate and pitch of the synthesized voice.
- d. The IVR system must provide a facility that allows vocabulary phrases to be recorded, edited, and implemented without shutting down the production system or using a separate development system. The facility must provide the ability to enter speech via tape, telephone, and microphone; speech must be displayed in graphic form to facilitate editing; and copy and delete functions must be provided. The volume of a recorded phrase or group of phrases must be adjustable so volume levels may be consistent. The Offerors may be required to demonstrate the quality of the synthesized speech generated by the IVR system

proposed.

3.3.14 IVR SYSTEM TELEPHONY REQUIREMENTS

- a. All equipment must be fully compliant with all FCC standards and regulations for emissions and connections and FCC registered for direct connection to the telephone network. Offerors must state the FCC registration number for the configuration(s) they are proposing.
- b. All equipment must be UL approved, or approved by an equivalent independent testing organization. Offerors must state the listing number.
- c. All connections must be either RJ-11, RJ-21, or RJ-45 industry standard connections.
- d. All systems offered must provide all hardware and software required to interface with CENTREX telephone system and key systems. All features must be fully functional with these types of telephone systems.
- e. The IVR system must recognize all DTMF standard tones.
- f. The equipment must fully comply with the Electronic Industries-Association (EIA) standards for accurate generation of touch-tones used in dialing. Vendors must state the date that this test was most recently conducted for all system configurations offered.
- g. The IVR system must be able to play an inactivity warning message when callers exceed the time-out parameter. It also must be possible for the caller to strike over the message to avoid being cut off.
- h. The IVR system must have automatic gain control to compensate for variations in incoming volume line level volume.
- i. The IVR system must be able to detect telephone line failures, and alert the system manager of the line condition by providing a visual or audible alarm.
- j. The IVR system must have the ability to transfer callers to a prerecording, or music if the system experiences a temporary breakdown to insure callers that they have not been disconnected.
- k. Voice messaging and retrieval capabilities must comply with Audio Messaging Interchange Specifications (AMIS).

3.3.15 STATE IVR SYSTEM SITE REQUIREMENT

- a. The IVR system must come equipped with an uninterruptable power supply of 30 minutes that will give the System Manager an opportunity to perform a controlled shutdown of the IVR system during a power outage.
- b. The IVR system must come equipped with an electrical power protection device that will prevent IVR system hardware from being damaged from harmful surges or decrease in incoming commercial power.
- c. The IVR system must reboot itself in the event of a momentary power failure to its operating state without intervention.
- d. All equipment must operate in an office environment(60-90 degrees Fahrenheit with relative humidity 20-80%). The IVR must operate using 110 volt, 60 Hz power. Vendors must indicate whether a dedicated power circuit is required.
- e. The equipment must meet all applicable electrical and building codes at site.
- f. The equipment must be relatively noise-free and not disruptive to a normal office environment.

3.3.16 STATE VOICE/DATA COORDINATED TRANSFER REQUIREMENTS

- a. The IVR system must have the ability to refer callers to a live operator or automatic call distribution (ACD) queue by transferring the call to a designated telephone number.
- b. The IVR system must accomplish the call transfer process by the appropriate means as dictated by the type of incoming line. For example, an analog Centrex line would be transferred by using a "switch-hook transfer" (Centrex transfer) to access the telephone system, and then dialing out, or similar methodology, to free the line to accept another call.
- c. The IVR system must be capable of being programmed to support requirements of the ACD's to which they are attached. For example, the IVR must be able to be programmed to signal call transfers to an ACD.
- d. It must be possible to modify the telephone number(s) to which the IVR system transfers calls based on time-of-day or other predetermined conditions.
- e. The IVR system must be able to identify DNIS, ANI, and CLID

information, if the information is available in-band on an incoming call. This information must be available to programs and scripts operating on an IVR system.

- f. The IVR system must be able to coordinate with the host system, transfer the incoming calls to the customer service representative(CSR) at the call originating local office, and display the data captured during the call and the relevant host data screen on that CSR's workstation. If all the CSRs are busy at the call originating local office, the IVR system must be able to transfer the call and data to another CSR according to the routing scheme. The IVR system must retain the control of the call and data in order to transfer the call and data to the second CSR after the first CSR completes the interview with the caller.

3.3.17 IVR SYSTEM DIAGNOSTIC REQUIREMENTS

- a. The IVR system must be able to call a designated number and speak an error message when self diagnostics reveals error conditions that include, but are not limited to phone line failures, host communication failures, diagnostic link failures and IVR system failures.
- b. The IVR system must have an alarm feature which can be seen and/or heard in case of system failure.
- c. The IVR system must be able to send a message notifying system managers of the status of the hard disk, (i.e. that it is reaching capacity).
- d. The frequency of self diagnostic routines performed by the IVR system must be constant or user programmable.
- e. The IVR system must be able to log errors when system failures occur. If used in an IBM SNA/SDLC network, the IVR must be capable of reporting problems to Netview.
- f. The IVR system must gracefully disengage callers when system failures occur by providing callers with an appropriate message prior to disconnecting them.
- g. The IVR system must provide remote diagnostics that enable commands to be entered, remote console displays to be observed, software changes to be made, error conditions to be analyzed, and statistical data to be reviewed from remote sites. Vendors must state at what speed these diagnostics will run, (i.e. 2400 baud).
- h. The IVR system must provide the system manager with a hard copy confirmation of screen displays or functions performed.

- i. The IVR system must provide a real time display of the specific touch-tone digit being detected from each caller without having to remove equipment housings.
- j. The IVR system must provide a real time display of which telephone lines are in use without having to remove equipment housings.
- k. The IVR system must provide a real time display of which lines are listening to audio without having to remove equipment housings.

3.3.18 IVR SYSTEM VOICE RECORDING REQUIREMENTS

- a. The IVR system must support the recording of messages by callers under program control.
- b. The IVR system must support playback (via DTMF input) under manual and program control for the operator, such as advance, rewind, and pause.
- c. Under program control it must be possible to erase, save and/or transfer messages to and from hard disk.

3.3.19 IVR SYSTEM MULTIPLE APPLICATION SUPPORT REQUIREMENTS

Although the DLIR application is primarily based on transaction processing, the IVR configurations offered must be multi-function capable in order to meet other requirements. The IVR must be capable of performing the following functions in addition to transaction processing and other specifications in this document. Offerors must describe how these functions can be accomplished with their proposed configuration:

- a. Automated attendant;
- b. Information provision;
- c. Voice mail message recording and retrieval.

3.3.20 IVR SYSTEM EXPANSION REQUIREMENTS

DLIR anticipates that the size of the IVR system application may double over the next several years.

- a. It must be possible to double the number of lines supported by the proposed hardware configuration without changing platforms within product lines. Vendors must indicate how this would be accomplished, (i.e. adding ports to existing hardware, and/or adding additional IVR units).

- b. It must be possible to port software and vocabulary throughout the vendors product line.
- c. The call progress detection capabilities must be uniform for all vendor product offerings.
- d. It must be possible to support a mix of analog and T-1 lines at a site. Vendors must describe how this is accomplished.

3.3.21 EXISTING UI HOST APPLICATION SYSTEM ENHANCEMENT AND MODIFICATION REQUIREMENTS

The vendor must provide services for expanding and modifying the existing host UI application systems so that they will integrate seamlessly with the IVR applications. The vendor must insure that information provided by the caller for continued claim and initial claim filing are maintained on UI data bases and accessible on-line and on a real time basis.

- a. With the assistance of ICSD Application Branch, the vendor must identify all the host UI application systems expansion and modification requirements for integrating with the IVR system.
- b. The vendor must provide all programming and implementation services according to SDM Structured.
- c. The modification of existing UI application systems to integrate with IVR system should take into consideration overall system performance. For example, if the existing UI application programs can provide information for IVR application but would cause too much network traffic and slow the response, the vendor must develop new programs to avoid the problem.

3.4 CONCEPTUAL DESIGN OF THE INTERACTIVE VOICE RESPONSE APPLICATIONS

a. INQUIRY

Claimants and employers will dial a special UI information number to access specific claim or employer account information. The voice response unit (VRU) will greet the individual and request selection of desired service: 1. inquire about claim (PHASE I) 2. inquire about employer account (PHASE III)

If number 1 is selected, the VRU will request the PIN & SSAN of claimant. If no PIN or SSAN on file, VRU will request re-entry of information. VRU will terminate the call after 3 attempts, informing the claimant to report to the UI Division. After verification of the PIN & SSAN, the VRU will provide the

following information:

1. Last four (4) Week Ending Dates filed - provide claimant the status of each of the last four week ending dates. If paid, provide the WBA, deductions, amount paid and date paid. If not paid, provide date filed and status (i.e. waiting period, pending eligibility determination, claim exhausted, disqualified).
2. Benefits remaining
3. Benefits paid to date

The individual will be able to skip to a new module, restart from the beginning, return to menu or terminate the call.

If number 2 is selected, (PHASE III - EMPLOYER ACCOUNT INQUIRY) the VRU will request the employer account number and PIN. If no PIN or employer account number on file, VRU will request re-entry of information. VRU will terminate the call after 3 attempts, informing the employer to report to the Employer Services section to reset his/her PIN. After verification of the PIN & employer account number, the VRU will provide the following information:

1. Last 4 Quarters beginning with the most current - provide total wages, taxable wages, contributions and P&I - provide all payment amounts and dates - provide balance due for the quarter. If report not filed notify employer.
2. Current balance due including penalties & interest calculated to mm/dd/yyyy.
3. Current and last 4 calendar years reserve balances
4. Current and last 4 years computation of annual average taxable wages
5. Current and last 4 years computation of annual reserve ratio
6. Current and last 4 years UI tax rate
7. Current and last 4 years (FUTA) Annual Contributions Paid

The individual will be able to skip to a new module, restart from the beginning, return to menu or terminate the call.

b. CONTINUED CLAIM FILING

1. Claimants will dial a special claim filing number to file continued claims or initial claims. The VRU will greet the individual and request selection of desired service:
 - a) file continued claim
 - b) file initial claim (PHASE II - INITIAL, REOPEN & ADDITIONAL CLAIM FILING)

If number 1 is selected, the VRU will inform the claimant that if you are reporting changes to your name, social security number or address

you must report in person to make these changes before filing your claim certification. The VRU will then request the PIN and SSAN of claimant.

2. ESTABLISH AND CHANGE PERSONAL IDENTIFICATION NUMBER (PIN)

On the day after filing an initial claim, those claimants who are required to file weeks claimed by telephone will call a special number to select his/her personal identification number (PIN). The PIN selected by the claimant will be known only to the claimant and cannot be accessed by UI staff. The claimant will begin accessing the VRU as soon as this transaction has been completed.

If a claimant forgets his/her PIN or feel that someone else may know his/her PIN, the claimant must report in person to select a new number.

3. VERIFY PIN & SSAN

The VRU will verify the PIN & SSAN. If either the PIN or SSAN cannot be verified, the VRU will ask the claimant to re-enter the PIN & SSAN. This verification process will be repeated three times before the call is terminated and the claimant is instructed to report to the nearest UI Office for assistance.

4. CHECK FILING SCHEDULE

The VRU will check if claimant is scheduled to file continued claim on this day and at this time. If not, the VRU will inform the claimant that he/she is not scheduled to file at this time, notify the claimant of the proper scheduled date and time and terminate the call. In Phase II, the VRU will require that partial, part-total and unknown claims be filed during established working days and hours.

5. PROCESS WEEKLY CONTINUED CLAIM

The VRU will check host for claimant's filing status. If **WEEKLY FILING STATUS**, the VRU will ask the claimant to indicate that he/she is filing for either the current week ending date or a week other than the current week.

- a) If claimant indicates that he/she is filing for the current week, the VRU will identify the current weekending date to caller. After the claimant concurs that the weekending date is correct, the VRU will perform the following before proceeding to asking the claimant to answer claim certification questions:

1) VALIDATE WEEKENDING DATE

The VRU will check host to see that the week ending date entered is a valid week. If invalid, claimant will be instructed to re-enter weekending date. After three attempts, the VRU will instruct the claimant to report in person to file his/her claim certification.

2) CHECK FOR DUPLICATE FILING

The VRU will check to see if the current week ending date has already been filed. If the week has already been filed, the VRU will inform the claimant of the duplication and terminate the call. If the current week ending date has not been filed, the VRU to go to next segment - "Ask Continued Claim Questions"

b) If claimant indicates that he/she is filing for a week other than the current week:

1) ENTER WEEKENDING DATES

The VRU will ask the claimant to enter the weekending date that he/she is filing. (mm/dd/yyyy format) If the week entered is for the current week, the VRU to perform current week filing routine.

If the week entered is for a week other than the current week the VRU will perform the following:

2) VALIDATE WEEKENDING DATE

The VRU will check host to see that the week ending date entered is a valid week. If invalid, claimant will be instructed to re-enter weekending date. After three attempts, the VRU will instruct the claimant to report in person to file his/her claim certification.

3) CHECK FOR EARLY FILING

The VRU will check to see that the week ending date is not being filed early (before mid-night Saturday of the weekending date being filed). If the week is being filed early, the VRU will inform the claimant that he/she cannot file for weekending date mm/dd/yyyy and ask the claimant to re-enter the weekending date. After three

- attempts of early filing, the VRU will terminate the call.
- 4) CHECK FOR DUPLICATE FILING

If the week being filed is for a week other than the current week, the VRU will check to see if the week ending date has already been filed. If the week has already been filed, the VRU will inform the claimant of the duplication and terminate the call. If the week has not been filed, the VRU to go to segment - "Ask Claim Certification Questions"

- 5) CHECK FOR LATE FILING

The VRU will also check if the week is being filed late. (more than 7 days from weekending date for total claims & 28 days for partial claims) If week being filed late, the VRU to update host with a late filing issue. After overnight batch processing, the local offices to check existing reports to identify late filing issue and manually determine if the week is actually late especially in those instances when claimant recently converted from bi-weekly to weekly filing and is now trying to file his/her last bi-weekly continued claim.

- 6) EXCEPTIONS

If VRU is unable to successfully transmit the continued claim transaction to the host system after the PIN & SSAN is verified, VRU to inform claimant to report in person to file his/her continued claim.

6. PROCESS BI-WEEKLY CONTINUED CLAIM

If claimant is on **BI-WEEKLY FILING STATUS**, the VRU will ask the claimant to select whether he/she is filing for the current and prior week ending dates, weeks other than the current and prior week ending dates or only one week.

- a) If the claimant indicates that he/she is filing for the current and prior weekending dates, the VRU will identify the week ending dates to the caller and ask the claimant to confirm that the dates are correct. After the claimant concurs that the weekending dates are correct, the VRU will perform the following before proceeding to asking the claimant to answer continued claim questions:

- 1) VALIDATE WEEKENDING DATES

The VRU will check the host to see that the week ending dates being filed are valid weeks. If invalid, claimant will be instructed to re-enter weekending dates. After three attempts, the VRU will instruct the claimant to report in person to file his/her continued claim and terminate the call.

2) CHECK IF BOTH WEEKS HAVE BEEN FILED

The VRU will check to see if either of the week ending dates have already been filed. If both weeks have already been filed, the VRU will inform the claimant of the duplication and terminate the call. If both weeks have not been filed, the VRU to go to next segment - "Ask Claim Certification Questions"

3) CHECK IF PRIOR WEEK HAS BEEN FILED

If only the PRIOR week has been filed, the VRU will inform the claimant that week ending mm/dd/yyyy has already been filed and notify the claimant that he/she is on a bi-weekly filing status and cannot claim for the CURRENT week at this time. Claimant will also be instructed to call the local office to change from bi-weekly to weekly filing status. VRU to update host with exception - early filing.

4) CHECK IF CURRENT WEEK DUPLICATED

If only the CURRENT week has been filed, VRU to ask claimant if he/she wants to file for the PRIOR week ending mm/dd/yy. If the claimant chooses not to file for that week, the call will be terminated. If the claimant chooses to file for that week, VRU will go to next segment - "Ask Claim Certification Questions"

b) If the claimant indicates that he/she is filing for weeks other than the current and prior week

1) ENTER WEEKENDING DATES

The VRU will ask the claimant to enter the weekending dates he/she wishes to file. (mm/dd/yyyy format)

2) VALIDATE WEEKENDING DATES

The VRU will check the host to see that the week ending dates being filed are valid weeks. If invalid, claimant will be instructed to re-enter weekending dates. After three attempts, the VRU will instruct the claimant to report in person to file his/her claim certification and terminate the call.

3) CHECK FOR EARLY FILING

The VRU will check to see that the week ending dates are not being filed early (before mid-night Saturday of the most recent of the two weekending dates being filed). If the weeks are being filed early, the VRU will inform the claimant that he/she cannot file for weekending dates mm/dd/yyyy and mm/dd/yyyy because it is too early and ask the claimant to re-enter the weekending dates. After three unsuccessful attempts of early filing the VRU will advise the claimant to call the local office and terminate the call.

4) CHECK IF BOTH WEEKS DUPLICATED

Once the week ending dates are determined to be not early, the VRU will check if either of the week ending dates have already been filed. If the week ending dates have already been filed, the VRU will inform the claimant of the duplication and terminate the call. If the week ending dates have not been filed, the VRU to go to next segment - "Ask Continued Claim Questions"

5) CHECK IF PRIOR WEEK DUPLICATED

If only one of the weeks had already been filed and it is the prior week, and the other week being filed is the current week, the VRU will inform the claimant that prior has already been filed, he/she is on a bi-weekly filing status and cannot claim only for the current week. Claimant will also be instructed to call the local office. Local office to determine whether to convert claimant from bi-weekly to weekly filing status.

6) CHECK IF CURRENT WEEK DUPLICATED

If only the CURRENT week has been filed, VRU to ask claimant if he/she wants to file for the PRIOR week ending mm/dd/yyyy. If the claimant chooses not to file for that week, the call will be terminated. If the

claimant chooses to file for that week, VRU will go to next segment - "Ask Continued Claim Questions"

7) CHECK FOR LATE FILING

The VRU will also check if the weeks are being filed late. (more than 7 days from latest weekending date for total claims and 28 days for partial claims) If weeks being filed late, the VRU to update host with a late filing issue. After overnight batch processing, the local offices to check existing reports to identify late filing issue.

8) EXCEPTIONS

If an error message is received from host and the claim certification is not accepted by the host system after PIN & SSAN verified, VRU to inform claimant to report in person to file his/her claim certification and terminate the call.

- c) If claimant indicates that he/she is filing only for one week - go to weekly filing routine for week other than the current week.

7. ASK CONTINUED CLAIM QUESTIONS

After the VRU has determined which week(s) the claimant is filing and validated the week(s), the VRU will access the host and determine the claim type (Partial, Part Total, Total or Unknown).

The VRU will ask the claimant to provide answers to each of the following questions pertaining to week 1 mm/dd/yyyy:

a) PARTIAL OR PART TOTAL CLAIM

- 1) The VRU will retrieve all partial or part-total claim employer records from the host and ask the claimant if he/she accepted all work offered by each of the active partial or part-total employers on record. The VRU will pass all claimant answers to the host. If the claimant answers no, the VRU will pass a one-week DNA issue via the NAI transaction.
- 2) The VRU will also ask the claimant if he/she worked for the partial or part-total employer(s) on record (VRU to speak each employer name) and to enter the total hours worked and gross earnings for the week.

- a) If the claimant worked and had gross earnings from the partial or part total employer(s) on record, the VRU will ask the claimant to enter the total hours worked and gross earnings for the week.
- b) The VRU will also ask the claimant if he/she was still employed by the employer at the end of the week?

- i If the claimant was no longer employed at the end of the week, the VRU will ask the claimant to enter his/her last day of work and reason for separation code. (i.e. Quit 1, laid off lack of work 2, other 3) The VRU will instruct the claimant to report to the unemployment insurance office to file an additional claim. The VRU will also pass the week ending date, the total gross earnings from all employers and an indefinite RR issue to the host via the WSC2 transaction.

In Phase II - The VRU will instruct the claimant to stay on the phone and file an additional claim after he/she completes filing his/her weekly or bi-weekly claim certifications. If the claimant hangs up before filing an additional claim, the VRU will pass the week ending date, the total gross earnings from all employers and an indefinite RR issue to the host via the WSC2 transaction.

- ii If the claimant was still employed at the end of the week, the VRU will ask the claimant if the employment is still part time or full time. (as reported earlier by claimant) If not the same, the VRU to instruct the claimant to call the unemployment claims office for a status change. The VRU will pass the week ending date, gross earnings and a 10 day HOLD to the host via the WSC2 transaction.

In Phase II - The VRU will instruct the

claimant to stay on the phone to verify status change information with a CSR after he/she completes filing his/her weekly or bi-weekly claim certifications. If the claimant hangs up before providing information on the status change, the VRU will pass the week ending date, total gross earnings from all employers and a 10 day HOLD to the host via the WSC2 transaction.

- 3) The VRU will also ask the claimant if he/she worked for an employer other than those on record. This question will be repeated until the claimant responds no.
 - a) If the claimant worked for an employer other than the partial or part total employer on record, the VRU will ask the claimant to enter total hours worked, gross earnings, and date began work.
 - b) The VRU will also ask the claimant if he/she accepted all work offered. If the claimant answers no, the VRU will pass a one-week DNA issue via the NAI transaction.
 - c) In addition, the VRU will ask the claimant if he/she was still employed by that employer at the end of the week?
 - i If the claimant was no longer employed at the end of the week, the VRU will ask the claimant to enter his/her last day of work and reason for separation code. (i.e. Quit 1, laid off lack of work 2, other 3) The VRU will also instruct the claimant to report to the unemployment office to file an additional claim. The VRU will pass the week ending date, the total gross earnings from all employers (VRU to total all gross earnings) and an indefinite RR issue to the host via the WSC2 transaction.

In Phase II - The VRU will instruct the claimant to stay on the phone and file an additional claim after he/she completes filing his/her weekly or bi-weekly claim certifications. If the claimant hangs up

after filing his/her claim certification, the VRU will pass the week ending date, the total gross earnings from all employers, and an indefinite RR issue via the WSC2 transaction.

- ii If the claimant was still employed at the end of the week, the VRU will ask the claimant if the employment is part time or full time. The VRU will instruct the claimant to call the unemployment office for a status check. The VRU will also pass the week ending date, the total gross earnings from all employers and a 10 day HOLD to the host via the WSC2 transaction.

In Phase II - The VRU will instruct the claimant to stay on the phone to provide employment information to a CSR. If the claimant hangs up after filing his/her claim certification, the VRU will pass the week ending date, the total gross earnings from all employers and a 10 day HOLD to the host via the WSC2 transaction.

- 4) Did you refuse any work or referral to work?

If the claimant refused any work or referral to work, the VRU will pass a indefinite SW issue to the host via the NAII transaction. (This question will not be asked if the claim is a partial claim)

- 5) Were you physically able to work?

If the claimant is not able to work, the VRU will ask the claimant whether or not he/she was under a doctor's care. If the claimant is not under a doctor's care, the VRU will pass an indefinite ILL issue to the host via the NAII transaction.

If the claimant is not able to work and was under a doctor's care, the VRU will explain claimant requirements and brief instructions on completing and submitting forms UC-BP-19 and an AA Questionnaire. In addition, the VRU will pass an indefinite WVM issue to the host via the NAII transaction.

- 6) Were you available for work?

If the claimant is not available for work, the VRU will pass an AA issue to the host via the NAI transaction. (This question will not be asked if the claim is a partial claim)

- 7) Did you look for work during the week? If yes, did you maintain a record of these contacts as instructed. (This question will not be asked if claim is a partial claim)

If the claimant did not look for work, the VRU will check the host if claimant is a union member. If the claimant is a union member, the VRU will ask the claimant if he/she is a member of good standing with the union. If the claimant answers yes, the VRU will pass the answers to the questions to the host. If the claimant answers no, the VRU will pass an indefinite ASW issue to the host via the NAI transaction.

If the claimant is not a union member, did not look for work or did look for work but did not maintain a record of these contacts, the VRU will pass a CRC comment "no contacts" or no record of contacts to the host via the GCRC transaction. An exception list containing claimants with this CRC comment must be generated for follow up mailing of UC-270 NCN notice, scheduling of claimant for ERI or creating an AA issue..

b) TOTAL CLAIM

- 1) Did you work during the week? If the claimant responds no, the VRU will ask the claimant the next question. If the claimant responds yes, the VRU will ask the claimant to enter the total hours worked and gross earnings. In addition, the VRU will ask the claimant if he/she is still employed at the end of the week?
- 2) If the claimant is no longer employed at the end of the week, the VRU will ask the claimant to enter his/her last day of work and reason for separation code. (Quit 1, Laid off lack of work 2, other 3) The VRU will also instruct the claimant to report to the unemployment office to file an additional claim. The VRU will pass the claimant ssan, weekending date, gross earnings and "wage override" code to the host and an indefinite RR

issue via the WSC2 transaction.

In Phase II - The VRU will instruct the claimant to stay on the phone and file an additional claim after he/she completes filing his/her weekly or bi-weekly claim certifications. If the claimant hangs up before filing an additional claim, the VRU will pass the week ending date, the total gross earnings from all employers, "wage override" code and an indefinite RR issue to the host via the WSC2 transaction. .

- 3) If the claimant is still employed, the VRU will ask the claimant if the employment is full time or part-time. The VRU will instruct the claimant to call the unemployment claims office for a status change. The VRU will pass the claimant ssan, weekending date, gross earnings, "wage override" code and a 10 day HOLD to the host via the WSC2 transaction.

In Phase II - The VRU to refer call to CSR to obtain employment information from the claimant, update the claim employment record with the new partial or part-total employer via the CIEM transaction and to request that low earnings reports be mailed to the claimant via the CRO5 transaction. If the verification of earnings will unduly delay the claimant's receipt of benefits, the CSR will not perform the status change and enter a "wage override" to allow the payment of the week. If the claimant hangs up before talking to a CSR, the VRU will pass the claimant ssan, weekending date, gross earnings, "wage override" and a 10 day HOLD to the host via the WSC2 transaction.

- 4) Did you refuse any work or referral to work?

If the claimant refused any work or referral to work, the VRU will pass a indefinite SW issue to the host via the NAIH transaction.

- 5) Were you physically able to work?

If the claimant is not able to work, the VRU will ask the claimant if he/she is under a doctor's care. If not under a doctor's care the VRU will pass an indefinite ILL issue via the NAIH transaction.

If the claimant is not able to work and was under a doctor's care, the VRU will explain claimant requirements on completing and submitting forms UC-BP-19 and an AA Questionnaire. The VRU will also inform the claimant that these forms will be mailed to him/her. In addition, the VRU will pass an indefinite WVM issue to the host via the NAI transaction.

6) Were you available for work?

If the claimant is not available for work, the VRU will pass an AA issue to the host via the NAI transaction.

7) Did you look for work during the week? If yes, did you maintain a record of these contacts as instructed.

If the claimant did not look for work, the VRU will check the host if claimant is a union member. If claimant is a union member, the VRU will ask the claimant if he/she is a member of good standing with the union. If the claimant answers yes, the VRU will pass the answers to the questions to the host. If the claimant answers no, the VRU will pass an indefinite ASW issue to the host via the NAI transaction.

If the claimant is not a union member, did look for work but did not maintain a record of these contacts, the VRU will pass a CRC comment NRC (no record of contacts) to the host via the GCRC transaction. An exception list containing this CRC comment must be generated for follow up mailing of UC-270, NCN notice..

c) UNKNOWN CLAIM

If the claim status is unknown, the VRU will allow the claimant to go through the entire certification process. At the end of the process, however, the VRU will instruct the claimant to report to the UI office for a status check & possible new reporting requirements.

The VRU will repeat each question and answer to the claimant and request that the claimant indicate if answers are ok. - question by question. If not ok, the VRU will ask the claimant to re-enter information.

Repeat for week 2 mm/dd/yyyy, if applicable.

8. UPDATE HOST WITH TELEPHONE CALL INFORMATION

After completion of week 2, the VRU will instruct the claimant to terminate the call or return to menu for additional services. After termination or return to menu, the VRU will transmit the following to the host for update:

Date of call, time of call, telephone number call placed from, length of call, answers to all questions, responses to request for information, exception messages, SSAN, weekend date, and gross earnings. This information must be accessible via an on-line inquiry transaction to the host.

The host data base will probably have to be expanded, and on-line inquiry screens modified to accommodate the new information that will be maintained.

The existing weeks claimed exception report will have to be modified to identify transactions where a HOLD has been placed by the VRU. UI Staff will need to review this list and call the claimant to obtain employment or other information necessary to complete the processing of the claim.

c. INITIAL, REOPEN AND ADDITIONAL CLAIM FILING

If number 2 is selected, the VRU will insure that the current date is a work day and the current time is between 7:45 am and 3:30 pm. If not, the VRU will ask the claimant to call back the next day during the aforementioned time period. If so, the VRU will ask the claimant to enter his/her SSAN. The VRU will check the host to see if a claim is on file:

1. CURRENT INTRASTATE OR LIABLE CLAIM ON FILE

- a) If a current intra claim exists that is not exhausted and the benefit year has not expired, the VRU will ask the Eligibility Review Questions (See No Claim) before referring the call to the Customer Service Representative (CSR). The current and prior (when new or previous additional claim filed) answers to the eligibility questions, certain demographic and claim information and the shell of the "Add Additional/Reopen Claim transaction (CACR) will be displayed on the customer service representative's (CSR) screen. The claim maintenance screen (CCLM) will also be displayed enabling the CSR to change a liable claim to an intrastate claim, as necessary. The CSR will then interview the claimant and complete the filing of either an additional claim or reopen claim. The CSR will obtain employment information from the claimant, and enter the

required information into the screen for subsequent update of the host. (Capability to update WDD data bases residing on other hosts will be developed in another phase)

- b) If a current intra or liable claim exists that is exhausted and the benefit year has not expired, the VRU will inform the claimant that current benefit year which will end on mm/dd/yyyy, is still in effect, is exhausted and no further benefits can be paid on the claim.
- c) If the current claim's benefit year has expired, the VRU to go to "NO CLAIM" routine.
- d) If a current interstate agent claim is on file and the benefit year has not expired, the VRU will instruct the claimant to report in person to file an agent additional or reopened claim. If the liable state is California or other states taking liable claims by telephone, the VRU will instruct the claimant to call the liable state directly.

2. NO CLAIM ON FILE

- a) The VRU will check the host if a claim is on file. If no claim is on file, the VRU will ask the claimant if he/she is a citizen or national of the U.S.? If the claimant responds no, the VRU will instruct the claimant to report in person with his/her proof of immigration status to file a new claim. (Procedure under review in view of recent federal instructions allowing alternative methods of verifying immigration status)
- b) If the claimant is a citizen or national of the U.S., the VRU will ask the claimant if he/she claimed, received, or applied for UI benefits in another state within the last 12 months? If the claimant responds yes, the VRU will instruct the claimant to report in person to file an agent additional or reopened claim. (Procedure under review to allow telephone claimstaking) If the liable state is California or other states taking liable claims by telephone, the VRU will instruct the claimant to call the liable state directly to file their claims.
- c) If the claimant did not receive, apply for or file a claim in another state within the past 12 months, the VRU will ask the claimant if he/she has out-of-state, military, or federal employment within the last 15 months. If the claimant responds yes, the VRU will instruct the claimant to report in person to file a new claim. (Procedure under review to allow telephone claimstaking) The VRU will also instruct the claimant to bring

proof of wages for all employment, SF8 for federal employment, and DD214 for military employment.

If the claimant only has intrastate employment, the VRU will ask the following questions: (These questions are currently asked of the claimant on UC-BP-1 & UC-BP-24).

3. ASK INITIAL CLAIMS QUESTIONS

- a) Are you a male or female?
- b) Number of dependents?
- c) What is your telephone number?
- d) Years of Education Completed
- e) Birth Date
- f) Provide your ethnicity

Claimant will be informed that responding to this request is voluntary. If the claimant does not wish to provide the information claimant will be instructed to enter a code meaning no response. IVR to also describe the choices to be selected - W,B,I,S,H,C,F,J,O

- g) Will you be referred to your next job by a labor union? If yes, are you registered and in good standing? Would you accept nonunion work?

When referred to CSR, claimants will be asked for union name and local number. CSR to waive WDD registration if being referred to work by union hiring hall.

- h) Are you required to make or do you owe child support payments?

When referred to CSR, claimant to be notified that if he/she are delinquent in child support payments his/her UI benefits will be intercepted to pay child support obligations.

- i) Were you a director, officer, owner or shareholder of a business or corporation within the past 15 months?

If yes, CSR to set up "Corporate Officer issue". (COR)

- j) Are you claiming, receiving or have you applied for or plan to apply for:

- 1) Social Security
- 2) Pension

- 3) Worker's compensation
- 4) Educational assistance
- 5) Disability benefits?

When referred to a CSR, he/she will determine the kind of pension, deductibility of pension amount, send questionnaires to the claimant and determine if there are issues to be created. Other questions pertain to AA - receiving worker's compensation or disability benefits or going to school.

- k) Do you wish to have federal taxes withheld from your unemployment benefits?

VRU to explain that UI benefits are taxable and provide withholding rates

- l) Do you wish to have Hawaii state taxes withheld from your unemployment benefits?

VRU to explain that UI benefits may be taxable for Hawaii purposes and provide withholding rates. Advise claimant to check with DOT before making election.

- m) The VRU will inform the claimant that this question is being asked in compliance with US DOL regulations and the claimant is not required to answer this question. At any time claimant may choose not to provide information in addition to a yes or no answer.

Are you handicapped as defined in section 504 of the rehabilitation act of 1973? A person is handicapped if he or she has a physical or mental impairment which substantially limits one or more major life activities; has a record of impairment; or is regarded as having such impairment.

4. OBTAIN CLAIM EMPLOYMENT INFORMATION

The VRU will access the Quarterly Wage Reporting System and the Employment Subsystem. When the call is transferred to the CSR, the claimant will be asked to provide employment information. The CSR will compare the information provided by the claimant with the QWRS as a means to confirm the identity of the claimant.

For each unduplicated employer, (either the Quarterly Wage or Employment record) the VRU will "pop" an employment information screen with the appropriate QW or Employment record. The CSR will

then question the claimant in a manner to require the claimant to provide all employment information including the employer name, dates of employment, reason for separation, phone number of the employer, and whether the job was full-time or part-time. If the claimant could not provide a reasonably complete employment history, the claimant will be required to report in person or undergo further authentication procedures before processing the claim.

The CSR will make a final confirmation with the claimant of his/her employment record to insure that all periods of employment/unemployment are complete.

5. ASK ELIGIBILITY REVIEW QUESTIONS

- a) Was there any reason why you could not have accepted full-time work since you have been unemployed?

If yes, CSR to ask claimant to give reasons - no car, babysitter etc. CSR to create AA issue as appropriate.

- b) Has any employer offered you work since you became unemployed?

If yes, CSR to ask claimant for name and address of employer and why work not accepted. CSR to create SW issue as appropriate.

- c) Has the State Workforce Development Division offered you a referral to work since you became unemployed?

If yes, CSR to ask claimant outcome of referral.

- d) Do you spend any time in self-employment or in business?

If yes, CSR to ask claimant to provide additional information about self-employment and create a "self employment issue" (SE). CSR to create AA issue as appropriate.

- e) Do you attend or plan to attend school or vocational training?

If yes, CSR to mail school questionnaire to claimant. CSR to also determine if training waiver possible. CSR to create AA issue as appropriate.

- f) Do you have minor children, aged or sick members in your family living with you?

If yes, CSR to ask claimant who will care for them if you should go to work. CSR to create AA issue as appropriate.

- g) How long did you work at your last job? (indicate number of years)
- h) What days did you work? (claimant to respond yes or no as VRU speaks days of the week)
- i) What were your hours? (claimant to provide normal time started and finished work)
- j) What was your rate of pay? (claimant to provide either hourly rate of pay or salary per month or other.
- k) What is the lowest pay you will accept? (claimant to respond rate per hour or salary per month or other)
- l) What days during the week are you willing and able to work? (claimant to respond yes or no as VRU speaks days of the week)
- m) What hours of work are you willing and able to work? (claimant to provide time start and end for each day of the work)
- n) What means of transportation do you have to get to work? (claimant to provide yes or no as VRU speaks various means of transportation - car, bus, carpool other)

6. ASK ADDITIONAL ELIGIBILITY QUESTIONS

The customer service agent (CSR) will ask the following additional eligibility questions when the VRU refers the call to him/her. The CSR will data enter the information obtained from the claimant.

- a) What kind of work did you perform on your last job?
- b) What other kinds of work experience have you had and how long did you work in this capacity?
- c) In what geographical areas are you willing and able to work?
- d) What kind of work are you looking for now?

After the claimant completes answering the VRU questions, the VRU will simultaneously access the host and retrieve prior claim information, quarterly wage information, and information from the various host CICS host transactions. This information, along with the claimant

answers to the VRU initial claim, claim employment and eligibility questions will be displayed on the CSR terminal/personal computer for claimstaking and eligibility review. The VRU will also display additional questions when claimant attends or is planning to attend school or if the claimant is receiving or will be receiving pension income. After the CSR has completed the initial claims taking and eligibility review process, the VRU will update the host with the initial claim, claim employment, issues, and eligibility review information. The VRU will retain control of the call for further transfer to another CSR. (The application to transfer call to another CSR will be developed in another phase). A hardcopy of the initial claim and eligibility review information will be printed in the overnight batch process and mailed to the claimant for his/her records.

d. GENERAL INQUIRY

Individuals will dial a special number to access general UI information. The VRU will greet the individual and request that the individual select benefit or employer information. If benefit information is selected the information in **Attachment 1** will be provided. (UC-266)

The individual will be able to skip to a new module, restart from the beginning, terminate the call, or return to the menu.

If employer information is requested the information in **Attachment 2** will be provided. (Handbook for Employers)

The individual will be able to skip to a new module, restart from the beginning, terminate the call, or return to the menu.

SECTION FOUR
PROPOSAL FORMAT AND CONTENT

4.01 INTRODUCTION

One of the objectives of this RFP is to make proposal preparation easy and efficient, while giving Offerors ample opportunity to highlight their proposal. The evaluation process must also be manageable and effective. When an Offeror submits a Proposal, it shall be considered a complete plan for accomplishing the tasks described in this RFP and any supplemental tasks the Offeror has identified as necessary to successfully provide the system.

Proposals must:

- a. Include a Transmittal Letter with the complete name and address of Offeror's firm and the name, mailing address, telephone number, and fax number of the person the State should contact regarding Offeror's proposal;
- b. If subcontractor(s) will be used, a statement from each subcontractor must be appended to the Transmittal Letter, signed by an individual authorized to legally bind the subcontractor and stating:
 - 1) The general scope of work to be performed by the subcontractor;
 - 2) The subcontractor's willingness to perform the work indicated; and
 - 3) All information specified in *a.* above.
- c. Confirm that the Offeror will comply with all of the provisions in this RFP.
- d. Provide all of the information requested in this RFP in the order specified;
- e. Be organized into sections, with tabs separating each section described below:
 - 1) Executive Summary
 - 2) Work Plan
 - 3) Qualifications of Staff & Firm
 - 4) Compatibility With Existing Hardware and Software
 - 5) Hardware & Software Maintenance Provided
 - 6) Proven Equipment
 - 7) Cost
 - 8) Bid Specifications
 - 9) System Requirements
 - 10) References
 - 11) Exceptions

These sections are primarily designed to provide information necessary for the State to evaluate offers pursuant to the Evaluation Criteria provided in *Section Five* of this RFP. Offerors are advised to review the Evaluation Criteria and to

provide all information necessary to allow the State to evaluate Offeror's proposal based on these criteria.

- f. One (1) original and six (6) copies of each proposal shall be submitted on forms and in the format specified in this RFP. The original shall be clearly marked "ORIGINAL" and copies shall be clearly marked "COPY." The State will not provide any reimbursement for the cost of developing, presenting, submitting, or evaluating any proposal in response to this RFP.

Failure to include these items in Offeror's proposal may be cause for the proposal to be determined non-responsive and rejected.

4.02 EXECUTIVE SUMMARY

The Executive Summary shall condense and highlight the contents of the Proposal in such a way as to provide a broad but clear understanding of the entire proposal. The Offeror's plan must demonstrate an understanding of, and the ability to meet and perform, all contractual requirements listed in this RFP.

4.03 WORK PLAN

This section shall include a detailed work plan consisting of the tasks to be performed in each project phase, and estimated start dates and completion dates for the tasks.

4.04 QUALIFICATIONS OF STAFF & FIRM

Offeror shall provide a comprehensive description of their ability to meet the staffing requirements outlined in this RFP. Offeror shall provide the number and location of employees and resources that will be committed to the project. The Offeror shall provide the names, titles, and years of experience of individuals assigned to each component of the project.

4.05 COMPATIBILITY WITH EXISTING HARDWARE & SOFTWARE

Offeror shall describe how the proposed system meets the RFP specifications and system requirements. Offeror shall explain how existing UI application systems will need to be modified. Offeror shall provide a comprehensive description of their ability to provide equipment compatible with existing hardware and software installed at the State. If Software is a part of Offeror's proposal, the Offeror must identify how the proposed equipment is compatible with IBM 3090 channels and MVS/XA, MVS/ESA, VM/ESA, and VM/XA software. The Offeror must explain how the proposed equipment will be integrated into the State's current hardware and software environment.

Offerors shall include in their proposals to the State how the proposed Software will reduce its software costs.

4.06 HARDWARE & SOFTWARE MAINTENANCE PROVIDED

Offeror must provide a comprehensive description that sets out the maintenance service plan they intend to follow in order to accomplish the work described herein. The Offeror must identify hardware maintenance policies and practices.

4.07 PROVEN EQUIPMENT

All equipment and features proposed to meet the State's requirements of this RFP shall have been successfully operated in a production environment at commercial and governmental sites in the United States. The Offeror shall provide a reference list of such installed sites. These sites shall have had equipment successfully installed and operated within a comparable environment and configuration as that of ICSD. The Offeror shall include the following information on this list: Name of Organization, address, contact persons(s) and telephone number(s), installation dates, equipment types, and features. The State reserves the right to contact any references given.

4.08 COST

Offeror shall provide a total fixed price to complete all tasks as defined in this RFP. A separate cost breakout should be made for each of the three phases. Offeror shall provide cost information in accordance with **Exhibit C**.

4.09 BID SPECIFICATIONS

Offeror shall place in this section any technical information, product brochures, descriptions, literature, or other material required by *Section Two* of this RFP or referenced in their proposal.

The Offeror shall submit documentation demonstrating that Offeror has met each specification identified in the SPECIFICATIONS. The Offeror shall further indicate which pages and highlight all references in the brochures demonstrating that Offeror has met each specification identified in the SPECIFICATIONS. Failure to submit such material may be cause for rejection of proposal.

Other documentation that further identifies modifications or enhancements pertaining to this RFP shall be submitted upon request. If requested, such specifications shall be delivered within two (2) business days of the request.

4.10 SYSTEM REQUIREMENTS

Offeror shall place in this section any technical information, product brochures, descriptions, literature, or other material required by *Section Three* of this RFP or referenced in their proposal.

The Offeror shall submit documentation demonstrating that Offeror has met each specification identified in the SYSTEM REQUIREMENTS. The Offeror shall further indicate which pages and highlight all references in the brochures demonstrating that

Offeror has met each specification identified in the SYSTEM REQUIREMENTS. Failure to submit such material may be cause for rejection of proposal.

Other brochures and/or specification literature not otherwise required by this RFP shall be submitted upon request. If requested, such brochures and/or specifications shall be delivered within two (2) business days of the request. The State will accept a complete set of reference manuals for the hardware proposed on CD-ROM provided the software necessary to view manuals is included.

The State will also accept a complete set of reference manuals for the software proposed, if software is part of the Offeror's proposal, on CD-ROM provided the software necessary to view manuals is included.

4.11 REFERENCES

The Offeror shall include in this section all customer references required by this RFP. All references should be marked as satisfying a reference requirement by numbering it with the requirements paragraph number.

4.12 EXCEPTIONS

Offeror shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Offeror shall reference the RFP section where exception is taken, a description of the exception taken, and the proposed alternative, if any.

SECTION FIVE
EVALUATION CRITERIA AND CONTRACTOR SELECTION

5.01 EVALUATION CRITERIA

Evaluation criteria and the associated points are listed below. The award will be made to the responsive and responsible Offeror whose proposal is determined to be the most advantageous to the State based on the evaluation criteria listed in this section.

THE TOTAL NUMBER OF POINTS USED
TO SCORE THIS CONTRACT IS 100

5.02 EXECUTIVE SUMMARY - 10 points

- a. Has the offerer demonstrated a thorough understanding of the purpose and scope of the project?
- b. How well has the Offeror identified pertinent issues and potential problems related to the project?
- c. Has the Offeror demonstrated that it understands the deliverables the State expects it to provide?
- d. Has the Offeror demonstrated that it understands the State's time schedule and can meet it?

5.03 WORK PLAN - 15 points

- a. Is the project schedule appropriate and reasonable?
- b. Have project tasks been clearly identified?
- c. Are estimated start and end dates for each task provided?

5.04 QUALIFICATIONS OF STAFF & FIRM - 15 points

- a. What qualifications and experience do the Management Consultants have regarding:
 - 1) Organizational structure, relationships and procedures
 - 2) Management information systems and automated data processing
 - 3) Systems security and internal controls
 - 4) Computer Telephony Integration system being proposed

- b. What qualifications and experience do the Systems Analysts have regarding:
- 1) Systems requirements and design studies
 - 2) ADABAS data-based management system
 - 3) Computer programming using NATURAL II
 - 4) Teleprocessing applications
 - 5) Management information systems in an IBM 3090/200 CPU with OS MVS environment
 - 6) System conversion and implementation
 - 7) Documentation, using SDM/Structured; and user training
 - 8) Computer Telephony Integration system being proposed
- c. What qualifications and experience do the Computer Programmers have regarding:
- 1) OS ANSI COBOL and CICS programming
 - 2) IBM 3090/200 CPU with OS MVS environment
 - 3) Computer programming using NATURAL II
 - 4) General automated data processing
 - 5) Documentation, using SDM/Structured
 - 6) Computer Telephone Integration system being proposed
- d. What are the firm's qualifications and experience regarding:
- 1) System requirements studies
 - 2) System design studies
 - 3) Computer programming in NATURAL
 - 4) IBM 3090/200 CPU with OS MVS environment
 - 5) System conversion and implementation
 - 6) Management Information Systems utilizing ADABAS, including teleprocessing applications
 - 7) Documentation, using SDM/Structured, and user training
 - 8) Computer Telephony Integration system being proposed

5.05 SYSTEM REQUIREMENTS AND BID SPECIFICATIONS - 30 points

- a. Does the firm's proposal meet all of the specifications and system requirements described in the RFP? DLIR will require that the Offeror demonstrate on the equipment proposed, at no expense to DLIR, that the specifications and characteristics of the proposed hardware and software are clearly met. The Offeror will provide these tests at a mutually agreeable time and date. It is DLIR's intent to enable the Offeror to demonstrate their ability to meet the system requirements outlined in *Section Three* of this RFP. DLIR will be the sole judge of equivalency and successful performance during the demonstration.
- b. Does the firm's proposal demonstrate an appreciation and understanding of the work involved to design develop and implement a cost effective Unemployment

Insurance IVR system and to modify existing UI application systems that are necessary for the operation of the IVR system?

- c. Is the equipment offered compatible with existing hardware and software?
- d. How easily will equipment be integrated into the current environment?
- e. How significantly will software costs be reduced?

5.06 HARDWARE & SOFTWARE MAINTENANCE PROVIDED - 10 points

- a. Does maintenance cover all equipment, hardware, and software adequately?
- b. Are the time periods of coverage acceptable?
- c. Have extended warranty options been provided?

5.07 PROVEN EQUIPMENT - 10 points

- a. Are the equipment and features of the quality required for the system?
- b. How successfully has the system performed in other similar environments?

5.08 COST - 10 points

Overall, a minimum of 10 points of the total evaluation points will be assigned to cost.

In converting cost to points, the lowest cost proposal will automatically receive the maximum number of points allocated to cost, 10 points. The point allocations for cost on the other proposals will be determined through the method set out as follows:

$$[\text{Lowest Cost} \times 10 \text{ points (maximum)}] \div \text{Offeror's Cost Proposal} = \text{Points}$$

SECTION SIX

SPECIAL PROVISIONS

6.01 SCOPE

The offer of selling, furnishing, delivering, installing and maintaining an Interactive Voice Response System for the Department of Labor and Industrial Relations, Unemployment Insurance Division, shall be in accordance with these Special Provisions, the attached Specifications, and the General Terms and Conditions dated September 1, 1995, included by reference. Copies of the General Terms and Conditions are available at the State Procurement Office, 1151 Punchbowl Street, Room 416, Honolulu, Hawaii 96813.

6.02 TERM OF CONTRACT

Contractor shall enter into a contract for the sale (outright purchase) of the IVR system, its delivery, installation, and maintenance necessary for operation.

6.03 OFFICER-IN-CHARGE (OIC)

For purposes of this contract, Mr. Miles Yasui, telephone (808) 586-9071, or his duly authorized representative, is designated Officer-in-Charge.

6.04 SUBMISSION OF PROPOSAL & PRE-PROPOSAL CONFERENCE

The submission of a proposal shall constitute an incontrovertible representation by the Offeror of compliance with every requirement of this RFP, and that the RFP documents are sufficient in scope and detail to indicate and convey reasonable understanding of all terms and conditions of performance of the work.

Before submitting a proposal, each Offeror must:

- a. Examine the solicitation documents thoroughly. Solicitation documents include this RFP, any attachments, plans referred to herein, and any other relevant documentation;
- b. Become familiar with State, local, and federal laws, ordinances, rules, and regulations that may in any manner affect cost, progress, or performance of the work.

The DLIR will conduct a Bidder's Conference and Site Visit on July 10, 1997. Offerors are encouraged to attend to gain a better understanding of the project and to obtain personal satisfaction as to the character and amount of work to be performed under this RFP.

6.05 PERMITS, CERTIFICATES, AND LICENSES

The Contractor shall obtain and pay for all permits, certificates, and licenses required and necessary for the performance of the work specified herein, shall post all notices required by law, and shall comply with all laws, ordinances, and regulations bearing on the conduct of the work specified.

6.06 PROPOSAL PREPARATION

- a. Legal Name. Proposals shall be submitted using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable. Offeror shall indicate its exact legal name in the appropriate spaces on Offer Form page OF-1. Failure to do so may delay proper execution of the contract.

Offeror's authorized signature shall be an original signature in ink. If OFFER FORM, page OF-1, is unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the offeror's intent to be bound.

- b. Offer Guaranty. An offer guaranty is NOT required for this Request for Proposals.
- c. Tax Clearance. An **original or certified copy** of a tax clearance issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) must be submitted with your sealed offer by the due date and time. The tax clearance shall be obtained on the attached two-part **Tax Clearance Application (Form A-6)** that combines DOTAX and IRS tax clearances.

The application may be mailed in or walked in to either the DOTAX or the IRS. The addresses for DOTAX and IRS district offices are listed on Form A-6. There is limited walk-in service at IRS Maui and Hawaii offices, and none on Kauai.

The DOTAX and IRS encourage the use of their mail-in service, in lieu of walk-in service. We recommend that you mail the application to DOTAX where it will be processed and forwarded to the IRS. The process should be completed within twenty-one (21) calendar days. Use of the walk-in service may result in waiting in line at both agencies. Offeror should call ahead to verify availability of walk-in service.

For your information, the tax clearance is valid for forty-five (45) days. If the DOTAX approves a tax clearance certificate on one date and the IRS approves it on another date, the 45-day period will begin with the later date. For example:

DOTAX approval stamp date:	7/1/96
IRS approval stamp date:	7/5/96

Tax clearance valid:

7/5/96 to 8/18/96

The tax clearance submitted with your sealed offer must be valid on the solicitation legal ad date or any date thereafter up to the offer due date. A valid tax clearance received with your offer will remain valid for the contract award.

Since this is a new process, however, and a mail-in application is encouraged, we will accept for the purpose of this solicitation a completed SPO Form TEMP B, "Certification for Tax Clearance" in place of the DOTAX Form A-6, if you are unable to obtain a tax clearance by mail in time to include it with your sealed offer. See attached pink NOTICE for the SPO Form TEMP B.

NOTE: The above tax clearance requirement is in addition to the existing requirement for final payment. Refer to the special provisions on INVOICING below for information on the tax clearance requirement for final payment.

- d. Tax Liability. Work to be performed under this contract is a business activity taxable under Chapter 237, Hawaii Revised Statutes (HRS), and Chapter 238, HRS, where applicable. Both out-of-state and Hawaii contractors are advised that the gross receipts derived from this solicitation are subject to the general excise tax imposed by Chapter 237, HRS, at the current rate of 4%, and where applicable to tangible property imported into the State of Hawaii for resale, subject to the 1/2% use tax imposed by Chapter 28, HRS.

The State of Hawaii *Information on Hawaii State Taxes Administered by the Department of Taxation*, Publication 1 (November 1993) is included herein by reference and available at the State Procurement Office, 1151 Punchbowl Street, Room 416, Honolulu, Hawaii 96813, upon request.

- e. Original Proposal and Copies to be Submitted. Offeror shall submit one (1) original proposal marked "ORIGINAL" and six (6) copies of the original marked "COPY". It is imperative to note that the Offeror must submit only one original and the required number of copies. DO NOT SUBMIT MORE THAN ONE ORIGINAL.

Offeror is encouraged to submit typewritten offers. If handwritten, it should be clearly printed. Offeror is cautioned that illegible offers of any item(s) may be automatically rejected to avoid any errors in interpretation by the reviewers during the evaluation process.

6.07 PRICING

Pricing for the system specified herein shall include any and all hardware and software, modifications to existing systems, installation, and all other services required to provide a complete and operable turnkey system in the State environment, as well as all applicable taxes, and any other cost incurred to provide the system in accordance

with the RFP requirements. Price shall be the all-inclusive cost to the State and no other costs will be honored. This contract is a Firm Fixed Price contract.

6.08 ADDITIONS TO THE SYSTEM

The DLIR shall have the option of purchasing additional quantities of the items listed herein, at the unit prices offered by the Contractor, for the twelve (12) month period following final acceptance of the system.

In the event of price increases, a price escalation not to exceed 10% for each item offered shall be allowed during the twelve (12) month extension period. Price increases will be limited to increases in cost passed on to the Contractor by the manufacturer. The Contractor must submit a written request for price increase and must provide documentation from the manufacturer substantiating the cost increase. In the event of price decreases, the decrease shall be applied to the unit prices offered to the DLIR for applicable equipment.

6.09 ECONOMY OF PRESENTATION

Proposals shall be prepared in a straightforward and concise manner, and shall describe the supplier's offering(s) and capabilities in a format that is reasonably consistent and appropriate to the purpose. Emphasis shall be on completeness and clarity of content. If any additional information is required by the State regarding any aspect of the Offeror's proposal, it shall be provided within two (2) business days.

6.10 ORAL PRESENTATION

Respondents to this RFP may be required to make an oral presentation of their proposal to ensure thorough, mutual understanding. The State will schedule the time and location for these presentations (if required), normally within one week following the Proposals Due date.

6.11 CONFIDENTIAL INFORMATION

If a person believes that any portion of a proposal, offer, specification, protest, or correspondence contains information that should be withheld as confidential, then the Procurement Officer named on the cover of this RFP should be so advised in writing. Price is not considered confidential and will not be withheld.

An Offeror shall request in writing nondisclosure of designated trade secrets or other proprietary data to be confidential. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal in order to facilitate eventual public inspection of the nonconfidential portion of the proposal.

Pursuant to Section 3-122-58, Hawaii Administrative Rules (HAR), the head of the purchasing agency or designee shall consult with the Attorney General and make a

written determination in accordance with Chapter 92F, Hawaii Revised Statutes (HRS). If the request for confidentiality is denied, such information shall be disclosed as public information, unless the person appeals the denial to the Office of Information Practices in accordance with Section 92F-42(12), HRS.

6.12 REQUIRED REVIEW

Offeror shall carefully review this solicitation for defects and questionable or objectionable matter. Comments concerning defects and questionable or objectionable matter must be made in writing and should be received by the State Procurement Office prior to the Proposals Due date. This will allow issuance of any necessary amendments to the RFP. It will also help prevent the opening of a defective solicitation and exposure of Offeror's proposal upon which award could not be made. Any exception taken to the terms, conditions, specifications, or other requirements listed herein, must be listed in the *Exceptions* section of the Offeror's proposal, if the exception is unresolved by the Proposals Due date (see *Section Four*).

6.13 QUESTIONS PRIOR TO OPENING OF PROPOSALS

All questions must be submitted in writing and directed to the Procurement Officer, State Procurement Office. The State will respond to written questions by the date indicated in *Section One*, or as amended.

6.14 CANCELLATION OF RFP AND PROPOSAL REJECTION

The State reserves the right to cancel this RFP and to reject any and all proposals in whole or in part when it is determined to be in the best interest of the State.

6.15 PROPOSAL OPENING

Proposals shall not be opened publicly, but shall be opened in the presence of two or more procurement officials. The register of proposals and Offerors' proposals shall be open to public inspection after the contract is signed by all parties.

All proposals and other material submitted by Offerors become the property of the State and may be returned only at the State's option.

6.16 EVALUATION OF PROPOSALS

The Procurement Officer, or an evaluation committee of at least three State employees selected by the procurement officer shall evaluate proposals. The evaluation will be based solely on the evaluation criteria set out in *Section Five* of this RFP.

Proposals shall be classified initially as acceptable, potentially acceptable, or unacceptable. Discussions may be conducted with priority listed Offerors who submit proposals determined to be acceptable or potentially acceptable of being selected for award, but proposals may be accepted without such discussions.

If during discussions there is a need for any substantial clarification or change in the RFP, the RFP shall be amended by an addendum to incorporate such clarification or change. Addenda to the RFP shall be distributed only to priority listed Offerors who submit acceptable or potentially acceptable proposals. These Offerors shall be permitted to submit new proposals or to amend those submitted.

The date and time for Offerors to submit their best and final offers is indicated in *Section One*. If Offeror does not submit a notice of withdrawal or another best and final offer, the Offeror's immediate previous offer will be construed as their best and final offer.

6.17 OFFER ACCEPTANCE PERIOD

The State's acceptance of offer, if any, will be made within sixty (60) calendar days after the opening of proposals. Prices quoted by the Offeror shall remain firm for the sixty (60) day period as provided in Section 3.2 of the General Terms and Conditions.

6.18 PROPOSAL AS A PART OF THE CONTRACT

Part or all of this RFP and the successful proposal may be incorporated into the contract.

6.19 ADDITIONAL TERMS AND CONDITIONS

The State reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

6.20 CONTRACT EXECUTION AND TERM OF CONTRACT

Successful Offeror receiving award of \$10,000 or more shall be required to enter into a formal written contract. NO performance or payment bond is required for this contract. Upon execution of the contract, a Notice to Proceed will be issued. The term of the resultant contract shall commence on the date indicated in the Notice to Proceed.

No work is to be undertaken by the Contractor prior to the commencement date specified in the Notice to Proceed. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the official starting date.

6.21 CONTRACT CHANGES - UNANTICIPATED AMENDMENTS

During the course of this contract, the Contractor may be required to perform additional work. That work will be within the general scope of the initial contract. When additional work is required, the OIC will provide the Contractor a written description of the additional work and request the Contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional

work.

The Contractor will not commence additional work until the OIC has secured the required State approvals necessary for the amendment and an executed written contract amendment has been issued.

6.22 CONTRACT MODIFICATION

The contract may be modified only by written document signed by the State Procurement Office and Contractor personnel authorized to sign contracts on behalf of the Contractor.

6.23 RE-EXECUTION OF WORK

The Contractor shall re-execute any work that fails to conform to requirements of the contract which appear during the course of the work, and shall immediately remedy any defects due to faulty workmanship by the Contractor.

6.24 LIQUIDATED DAMAGES

Refer to Section 5.8 of the General Terms and Conditions. Liquidated damages are fixed at the sum of ONE HUNDRED DOLLARS (\$100.00) per day for any violation of the Contractor in failing to perform in whole or in part any of its obligations hereunder.

6.25 INSPECTION & MODIFICATION - REIMBURSEMENT FOR UNACCEPTABLE DELIVERABLES

The Contractor is responsible for the completion of all work set out in the contract. All work is subject to inspection, evaluation, and approval by the OIC. The State may employ all reasonable means to ensure that the work is progressing and being performed in compliance with the contract. Should the OIC determine that corrections or modifications are necessary in order to accomplish its intent, the OIC may direct the Contractor to make such changes. The OIC will not unreasonably withhold such changes.

Substantial failure of the Contractor to perform the contract may cause the State to terminate the contract. In this event, the State may require the Contractor to reimburse monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

6.26 CONTRACT INVALIDATION

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

6.27 DELIVERY AND INSTALLATION

All equipment necessary to complete the system shall be delivered and installation completed within the schedules described herein and commencing on the date provided in the Notice to Proceed, to:

Department of Labor & Industrial Relations
Unemployment Insurance Division
830 Punchbowl Street, Room 325
Honolulu, Hawaii 96813
(and other specified addresses)

Attention: Mr. Miles Yasui (OIC)
Telephone: (808) 586-9071

The Contractor shall contact the OIC before starting any work.

6.28 INSTALLATION PROGRESS

In the event the Contractor anticipates or encounters any difficulties with regard to the installation date or any other requirement of the contract, the Contractor shall, in writing, immediately notify the DLIR, providing all pertinent details, which will be for informational purposes only. Receipt by the DLIR shall not constitute any expressed or implied agreement of modification to the contract.

6.29 CUTTING AND FITTING

No cutting, notching, drilling, or altering of any kind shall be done to the building by the Contractor without first obtaining permission from the OIC.

6.30 BUILDING REPAIRS

The Contractor shall be liable and responsible for any building repairs required by reason of Contractor's work and caused by negligence of Contractor's employees. Any required repairs of any kind shall be made at the cost of the Contractor. The Contractor shall take the necessary precautions to protect the building areas adjacent to Contractor's work.

6.31 ACCESS AND AUTHORITY

The work shall be available for inspection, at any time, by the DLIR or its representatives. All materials and work not in conformity with the specifications shall be subject to rejection. All rejected work or materials shall be immediately replaced with those called for in the specifications.

The DLIR's representatives shall have the right to order the work of the Contractor or any subcontractor wholly or partially stopped if, in their judgment, the materials furnished or the work being done is not in strict accordance with the Specifications herein, or until any objectionable person or material is removed from the premises,

and shall have the right to declare the contract forfeited for nonperformance when not being executed according to the intent and meaning of the contract, drawings, and Specifications. Such stoppage, suspension, or forfeiture shall not in any way invalidate any terms of the contract, and no extra charge shall be allowed the Contractor by reason of such stoppage or suspension. The State shall notify the Contractor in writing of any deviations in the performance of the Contractor's obligations herein, and the Contractor shall be given a twenty-four (24) hour period to cure such deviations to the satisfaction of the State before executing the Contractor's rights hereunder.

6.32 CLEAR AWAY

Throughout the progress of the installation, the Contractor shall keep the working area free from debris of all types and remove from the premises all rubbish resulting from any work done by the Contractor and leave the work areas in a "broom clean" condition on a daily basis. At the completion of its work, the Contractor shall leave the premises in a clean and finished condition.

6.33 WARRANTY

The system and items furnished herein shall be guaranteed by the Contractor for a minimum period of one (1) year from acceptance of each phase by the State, or as guaranteed by the manufacturer, whichever is longer. The warranty shall protect the State user agency against defects resulting from the use of defective or inferior materials, against defects resulting from negligent workmanship, and against all design and manufacturing defects.

Contractor shall replace or repair, at the user's site of the installed equipment, any defective workmanship and/or materials with equal or better parts at no cost to the State for parts and labor during the warranty period, provided such defects are not due to abuse or negligence on the part of the State.

Only parts that are manufacturer authorized as to not void the warranty shall be used in warranty repair. All parts shall be of new manufactured condition. Reconditioned parts will not be acceptable.

Response Time Required for Corrective Maintenance.

- I. Response Time:** The Contractor shall acknowledge receipt of any call for corrective on-site service within ONE (1) hour.
- II. Resolution Time:** The problem must be resolved to the user agency's satisfaction within twenty-four (24) hours after the initial call. It shall be the option of the DLIR to grant extensions in Resolution Time.

All requirements of this Warranty section shall apply to the Extended Maintenance Service to be offered by the Contractor. Extended Maintenance

Service shall be for the twelve (12) month period following expiration of the one (1) year warranty period and shall be at the State's option to elect to receive.

6.34 QUALITY

Equipment furnished under this agreement shall be new, currently in manufacture, and with warranties applicable to new equipment. All equipment supplied shall be labeled and/or embossed with the manufacturer's name, logo, serial number, and/or part number. It shall be free from defects which may render it unfit to use. Damaged or rejected items must be immediately removed from the site and replaced with items of the quality required by these specifications.

Failure to replace or to remove any rejected item shall not relieve the Contractor from the responsibility imposed upon it by the contract.

The ordering agency may, at any time, by written order, stop the delivery of equipment not conforming to these specifications. Such stop order shall not relieve the Contractor of its obligation to complete its work within the contract time limits, nor shall it in any way terminate, cancel, or abrogate the contract or any part thereof.

6.35 LIABILITY INSURANCE

Contractor shall maintain insurance acceptable to the State in full force and effect throughout the term of this contract. The policy or policies of insurance maintained by the Contractor shall provide the following limit(s) and coverage(s):

<u>Coverage</u>	<u>Limits</u>
Commercial General Liability (occurrence form)	\$300,000 combined single limit per occurrence for bodily injury and property damage

Each insurance policy required by this contract shall contain the following clauses:

1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Accounting and General Services, State Procurement Office, P.O. Box 119, Honolulu, Hawaii 96810-0119."
2. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

Each insurance policy shall be written by insurance companies licensed to do business in the State or meet Section 431:8-301, Hawaii Revised Statutes, if utilizing an insurance company not licensed by the State of Hawaii.

The Contractor agrees to deposit with the State of Hawaii, on or before the effective date of this contract, certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefor on deposit with the State during the entire term of this contract. Upon request by the State, Contractor shall furnish a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Contractor.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

6.36 INVOICING

Contractor shall send an original and three (3) copies of the invoice(s) to:

Department of Labor & Industrial Relations
Unemployment Insurance Division
830 Punchbowl Street, Room 325
Honolulu, Hawaii 96813

Attention: Mr. Miles Yasui (OIC)
Telephone: (808) 586-9071

The tax clearance submitted with your invoice for final payment requires both DOTAX and IRS approvals. The clearance submitted earlier is not acceptable for final payment purposes. You must obtain a new tax clearance from DOTAX and IRS and it must be an **original** (certified copy is not acceptable), not over 45 days old, with box 3.a of the **Tax Clearance Application (A-6)** completed for a specific contract, purchase order, or job number.

6.37 PROPOSED PAYMENT PROCEDURES

The State will make a single payment when all of the deliverables are received and the contract is completed and approved by the OIC.

6.38 PAYMENT

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days from receipt of invoice or satisfactory delivery of goods or performance of services to make payment. For this reason, the State will reject any offer submitted with a condition

requiring payment within a shorter period. Further, the State will reject any bid submitted with a condition requiring interest payments greater than that allowed by Section 103-10, HRS, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period, or interest payments not in conformance with statute.

6.39 FEDERAL FUNDS

It is covenanted and agreed upon by and between the parties hereto that this contract shall be construed to be an agreement to pay the contract price only out of federal funds to be received from the federal government when the federal funds are so received and shall not be construed as a general agreement to pay such amount at all events out of any funds other than those which are received from the federal government.

6.40 ADDITIONS AND EXCEPTIONS TO THE GENERAL TERMS AND CONDITIONS

Approvals. Any agreement arising out of this offer is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

Cancellation of Solicitations and Rejection of Offers. The solicitation may be canceled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in sections 3-122-95 through 3-122-97, Hawaii Administrative Rules.

General Terms and Conditions Not Applicable. Sections 2.11 and 2.14 of the General Terms and Conditions which apply specifically to the Request for Proposals method of source selection are not applicable to Invitation for Bids. Also sections 2.10 and 2.13 which apply specifically to the Invitation for Bids method of source selection are not applicable to Requests for Proposals.

Records Retention. The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.

Preparation of Offer. General Terms and Conditions Section 2.5, paragraph four, is rescinded and replaced with the following: "An offeror may submit only one offer in response to a solicitation. If an offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected. Similarly, an offeror may submit only one offer for each line item (if any) of a solicitation. If an offeror submits more than one offer per line item, then all offers for that line item shall be rejected."

6.41 RATE OF WAGES & WAGE CERTIFICATE

Section 103-55, HRS. Refer to Section 2.8 of the General Terms and Conditions. Contractor shall complete and submit the attached Wage Certificate, **Attachment 3**, by which contractor certifies that the services required will be performed pursuant to Section 103-55, HRS.

At the time of this solicitation, although there are no public employee positions listed in the classification plan of the public sector that are similar to Offeror's network installers, Offeror must sign the Wage Certificate to show compliance with Section No. 2 of the certificate.

Work described in sections 2.20 to 2.22 of this RFP shall be performed by employees paid in accordance with the requirements of Chapter 104, HRS (see subsection *b* below).

Chapter 104, HRS. The latest minimum wage rates as promulgated by the Department of Labor and Industrial Relations shall be paid to the various classes of Electrician engaged in the performance of this contract on the job site (if Offeror engages the services of an Electrician for this project). All work shall be done in accordance with **Attachment 4** to this RFP. Reference is made to Chapter 104, HRS, Wages and Hours of Employees on Public Works.

ATTACHMENTS AND EXHIBITS

ATTACHMENT 3
WAGE CERTIFICATE
(For Service Contracts)

Subject: IFB/RFP No.: _____

Title of IFB/RFP: _____

(To be completed by offeror)

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS), I hereby certify that if awarded the contract in excess of \$5,000, the services to be performed will be performed under the following conditions:

1. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work; and
2. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

I understand that failure to comply with the above conditions during the period of the contract shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Payment in the final settlement of the contract or the release of bonds, if applicable, or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected; and

I further understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wage required by section 103-55, HRS.

Offeror _____

Signature _____

Title _____

Date _____

ATTACHMENT 4
REQUIREMENTS OF CHAPTER 104, HRS
WAGES AND HOURS OF EMPLOYEES ON PUBLIC WORKS

Pursuant to Chapter 104, HRS, the minimum wages that shall be paid to the various classes of laborers and mechanics engaged in the performance of the contract on the job site shall be in accordance with the attached schedule of wages promulgated by the director of the Department of Labor and Industrial Relations.

The minimum wages shall be periodically increased during the performance of the contract in an amount equal to the increase in the prevailing wages for those kinds of work as periodically determined by the director of labor and industrial relations.

No laborer or mechanic employed on the job site of any public work of the State or any political subdivision thereof shall be permitted or required to work on Saturday, Sunday, or a legal holiday of the State or in excess of eight hours on any other day unless the laborer or mechanic receives overtime compensation for all hours worked on Saturday, Sunday, and a legal holiday of the State or in excess of eight hours on any other day. For purposes of determining overtime compensation, the basic hourly rate of any laborer or mechanic shall not be less than the basic hourly rate determined by the director to be the prevailing basic hourly rate for corresponding classes of laborers and mechanics on projects of similar character in the State.

The contractor or the contractor's subcontractor shall pay all mechanics and laborers (listed on the attached schedule) employed on the job site, unconditionally and not less often than once a week, and without deduction or rebate on any account, except as allowed by law, the full amounts of their wages including overtime, accrued to not more than five working days prior to the time of payment, at wage rates not less than those stated in the contract and specifications, regardless of any contractual relationship which may be alleged to exist between the contractor or subcontractor and the laborers and mechanics.

The rates of wages to be paid shall be posted by the contractor in a prominent and easily accessible place at the job site. A copy of the rates of wages shall be given to each laborer and mechanic employed under the contract by the contractor at the time each laborer and mechanic is employed, provided that where there is a collective bargaining agreement the contractor does not have to provide the contract's employees the wage rate schedules.

The governmental contracting agency may withhold from the contractor so much of the accrued payments as the governmental contracting agency may consider necessary to pay to laborers and mechanics employed by the contractor or any subcontractor on the job site the difference between the wages required by the contract or specifications and the wages received and not refunded by the laborers and mechanics.

A certified copy of all payrolls shall be submitted weekly to the governmental contracting agency. The general contractor shall be responsible for the submission of certified copies of the payrolls of all subcontractors. The certification shall affirm that the payrolls are correct and complete, that the wage rates contained therein are not less than the

applicable rates contained in the wage determination decision of the director of labor and industrial relations attached to the contract, and that the classifications set forth for each laborer or mechanic conform with the work the laborer or mechanic performed.

Payroll records for all laborers and mechanics working at the site of the work shall be maintained by the general contractor and the general contractor's subcontractors, if any, during the course of the work and preserved for a period of three years thereafter. The records shall contain the name of each employee, the employee's correct classification, rate of pay, daily and weekly number of hours worked, deductions made and actual wages paid. The records shall be made available for inspection by the governmental contracting agency, director, and any authorized representatives thereof who may also interview employees during working hours on the job.

If the governmental contracting agency finds that any laborer or mechanic employed on the job site by the contractor or any subcontractor has been or is being paid wages at a rate less than the required rate by the contract or the specifications, or has not received the laborer's or mechanic's full overtime compensation, the governmental contracting agency may, by written notice to the contractor, terminate the contractor's right, or the right of any subcontractor, to proceed with the work or with the part of the work in which the required wages or overtime compensation have not been paid and may complete such work or part by contract or otherwise, and the contractor and the contractor's sureties (if any) shall be liable to the governmental contracting agency for any excess costs occasioned thereby.

EXHIBIT A
CALL FLOW DEPICTION

EXHIBIT B
CONCEPTUAL DESCRIPTION OF THE
UI LAN AND WAN

EXHIBIT C
COST INFORMATION

EXHIBIT C

Offerors shall provide pricing for each of the three phases and for each of the items below:

IVR SYSTEM

1. System Development:
 - a. System Requirements Definition, (SRD)
 - b. System Design Alternatives, (SDA),
 - c. System External Specifications, (SES),
 - d. System Internal Specifications (SIS),
 - e. Test Plan, Programming Documents Conversion Document,
 - f. User, System, and Operations manuals,
 - g. User and Data Processing personnel training manuals
2.
 - a. Itemized pricing for Computer Telephony Integration (CTI) - hardware and software
 - b. Itemized pricing for Computer Telephony Integration (CTI) - site preparation
 - c. Itemized pricing for Computer Telephony Integration (CTI) - installation
3.
 - a. Itemized pricing for LAN/WAN - hardware and software
 - b. Itemized pricing for LAN/WAN - site preparation
 - c. Itemized pricing for LAN/WAN - installation
4.
 - a. Itemized pricing for other required hardware and software
 - b. Itemized pricing for other required site preparation
 - c. Itemized pricing for other required installation
5. Administrative Support
6.
 - a. Staff Training - Computer Telephony Integration (CTI)
 - b. Staff Training - LAN/WAN
7.
 - a. Hardware Maintenance - Computer Telephony Integration (CTI)
 - b. Hardware Maintenance - LAN/WAN
8. Other Costs